

The National Underwriter

LIFE INSURANCE EDITION

In Two Parts FRIDAY, JULY 24, 1931 Part One



DEVOTED to the ideals of family security
and independence. » » » » » » » »

ADAPTED to and in harmony with
modern agency and underwriting
practices that protect the interests of
the fieldman and the policyholder.

Security Life Insurance Company
OF AMERICA

Executive Offices ✦ One Thirty Four North La Salle Street ✦ Chicago

A Substitute for Money

There are two important things in life, to which money can contribute—personal comfort and the welfare of dependents. One of these will be recognized as somewhat selfish; the other as mainly magnanimous.

The aggressive struggle for money loses man one of his choicest possibilities—the acquisition of friends—for the public generally does not care for wealthy men. They may be envied, but they are not always liked. There is a sort of arrogance to affluence, which creates resentment.

There is, however, a philosophy in the acquisition of money which leaves one popular and which is founded on common sense. Reduced to a rule, it would ordain that the individual should see to it that he acquires sufficient funds to guarantee his own personal comfort, and at the same time insure the future welfare of his dependents. More than this is surplusage, when one remembers that neither health nor happiness can be bought with money.

How to accomplish the first part of this program is an individual problem, but the second can be positively assured by complete coverage in Life Insurance, as exemplified by The Northwestern Mutual Life Insurance Company. Not only does Northwestern Insurance provide for the future welfare of dependents, but it may be used to contribute to the personal comfort of the assured as well, to say nothing of its well-recognized utility as an investment.

Be rich—without being wealthy, with all its handicaps. Let Life Insurance do for you what your acquired money would do. In every aspect of the value of money to man, Northwestern Life Insurance may be used to play an important part, the exact nature of which can, and gladly will, be explained, without obligation, by Northwestern Agents everywhere.

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

Milwaukee, Wisconsin

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Fifth Year No. 30

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JULY 24, 1931

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Northwestern in a Big Convention

Field Men Held Their Annual
Conference at Milwaukee
This Week

MANY EVENTS SCHEDULED

Talks Were Directed Along Inspira-
tional and Practical Lines by Men
Who Know

Agents from all sections attended the annual convention of the Association of Agents of the Northwestern Mutual at Milwaukee this week. It was presided over by President R. W. Mamburger, general agent at Minneapolis. President A. D. Van Dyke of the Northwestern expressed faith in the future of the business.

Albright Gets Award

C. H. Parsons, superintendent of agencies, presented the award to Dr. C. E. Albright, who has completed a quarter of a century of continuous leadership in volume production, and who during the past year wrote \$2,982,250. Emmett Cowell of Red Bud, Ill., which has small population, won the Marathon prize award for writing new insurance on 211 lives during the club year. Other honors were awarded to E. H. Earley, Brooklyn; V. P. Van Slyke, Oshkosh, Wis.; K. W. Jacobs, Jr., Milwaukee; E. J. Gerstman, Buffalo; L. C. Wilson, Baltimore; L. W. Bosworth, Bloomington, Ill.; J. W. Heinekamp, Atlantic City.

Group sessions were held Monday afternoon. Special and soliciting agents changed the name of their group to the Special & Soliciting Agents Association. They elected E. H. Earley, Brooklyn, president; Edwin Gould, Omaha, vice-president; George V. Metzger, Kansas City, second vice-president; F. L. Morse, Chicago, secretary-treasurer.

Prof. Irwin a Speaker

"Life Insurance As An Economic Stabilizer" was discussed in this group by W. A. Irwin, professor of economics Washburn College, Topeka, Kan. He praised the Northwestern for constantly adhering to a well considered policy making good business, not size, a primary consideration.

The group endorsed the C. L. U. movement and pointed to the stimulus of interest in this movement given by the company.

District Agents' Meeting

The District Agents Association met with V. C. Plummer, Rockford, Ill., as chairman. M. J. Cleary, vice-president of the Northwestern, spoke, reminding the agents to recognize conditions under which men are working today. Frequent contacts with part time men are necessary if they are to be developed.

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Burnet, Woollen Present Criticism of Disability

Philip Burnet, president Continental American Life of Delaware, who is credited with originating the family income policy, sets forth his idea of a program for revision of disability writing for the forum being conducted by THE NATIONAL UNDERWRITER on the disability question. Mr. Burnet is a clear thinker and his observations will be attended.

This week, THE NATIONAL UNDERWRITER is also presenting the views of Herbert M. Woollen, president American Central Life of Indianapolis, who recites his objections to the income disability form and declares his readiness to join with other companies in its abolition. Another communication presented this week is from a well known official of a western company, who desires that his identity be withheld. He is bitter against the standard disability provision, enforced by resolution of the commissioners, and he resents the effort of a group of eastern companies to promulgate new standard provisions at this time.

Mr. Burnet's observations follow:

Urges Fresh Start in Disability Writing

"In view of the fact that the disability experience has been so disastrous, it seems to me that the best solution probably would be to go back practically all the way and make a fresh start, on rates and terms that are sure to be not only redundant, but substantially so, and then as we gradually feel our way, to liberalize the benefit from the new starting point as far as experience warrants. More specifically, I think the steps should be as follows:

"1. The companies should not attempt to cover temporary disabilities existing for less than a year, leaving that field entirely to the health and accident companies, and providing only for disabilities which extend for longer than a year. This means that the waiting period should be extended from four months as at present, to a full year.

Advocates Cessation of Benefits at Age 65

"2. The companies should not attempt to insure any loss of income after age 65 at the outside, when, on the average, earning power has practically ceased. This means that, in my judgment, the benefit would not be payable for life, but only until age 65 at the outside, contingent on disability occurring not later than age 60.

"3. The monthly benefit should be cut in half and should be made \$5 instead of \$10 per thousand of insurance, thus requiring the purchase of twice the amount of insurance in order to obtain the same disability income.

"4. Present rates should be retained, and since the benefit would be cut in half, this would be equivalent to at least doubling the present rates.

"5. Finally, and it seems to me most important of all, there should be a pro rata provision providing that the total disability benefits payable by all companies, including any health and accident benefits, should not in any event

exceed say two-thirds of the actual earned income of the insured during a one or two-year period immediately preceding the occurrence of disability.

"I think such a revision as above suggested would prove thoroughly workable if uniformly adopted by virtually all companies, would preserve the opportunity for obtaining a very desirable disability coverage, and probably would work out, especially if the pro rata clause is included, so that in the course of a comparatively few years, rates could be substantially reduced."

President Woollen Sees Disability as Parasite

Below appears the communication of Mr. Woollen on the disability form:

"Perhaps the first objection which I have to the income disability clause is that it attaches to life insurance policies a feature which does not properly belong there and never will. By the operation of that parasite, the life insurance companies inevitably will be removed from the public consciousness as institutions in which it can have absolute confidence and will be gradually transferred to the other group, to which, unfortunately, fire and other lines seem to belong, namely, those insurance companies which the public expects to pay its claims only after a most critical examination, often coupled with an endeavor to contest every claim which is presented.

"Another objection is that the business has been, is being, and, in my opinion, always will have to be, conducted at a loss. I am aware that a few companies claim to have made more or less money in connection with it. However, I have yet to discuss the matter seriously with the officers of any company so claiming when we did not both agree that they had not charged in all of their expenses—some of which were large.

Item Cannot Be Made to Pay for Itself

"Again, in order to meet these losses, and almost without exception, the companies are compelled to use funds which properly belong to other groups of policyholders. Putting it in other words, those receiving income disability benefits do not, and probably never can be made even to pay for their own insurance.

"A third objection is that, in spite of the optimistic opinion of many life insurance men, I do not believe they ever can properly underwrite the business. It is a highly specialized line, and it is my understanding that no branch of insurance has yet been able to handle it successfully.

"Then again, another objection is that, in spite of any underwriting perfection which we may attain, the fact will still remain that human nature is as it is and that the companies will therefore be subjected to claims which are not legitimate. While defending themselves against these illegitimate claims, the companies will unavoidably find themselves contesting claims which are legitimate, thereby working a serious hardship on

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Expects Business to Recover Soon

President Van Dyke of Northwest-
ern Mutual Has Faith in
Nation's Soundness

CREED OF COMMON SENSE

Executive Discusses Disability, Policy
and Farm Loans at Company's
Agency Convention

Faith in revival of business in the "not distant future" was voiced by President W. D. Van Dyke of the Northwestern Mutual in the annual agents' convention at Milwaukee.

Mr. Van Dyke said he could not safely predict when business will pick up, but he feels sure it will be soon. "There are constitutional pessimists who look for trouble and insist on having it, he said, even to the extent of borrowing trouble. I believe a little optimism never hurt anyone and that much of the world's depression is due to repetition by the mirrors and the echoes of pessimism," he commented.

Enunciates Sane Formula

"I believe in hard work, common sense and natural vision, as opposed to the use of blue glasses when anything seems to go wrong. I believe that what the country needs more than anything else is a restoration of the ducking stool for professional pessimists, squawkers, calamity howlers and confirmed grouches.

"I believe in the American ability to beat any set of circumstances and come up smiling; and in the capacity and power of the average American to fight his way out of any difficulty.

"I believe in the silver lining, the rainbow after the storm, the plunge through the center, and the potency of the cries, 'Block that kick!' and 'Hold the line!'"

Disability and Loans

He dwelt upon the experiences of life companies with total and permanent disability clauses, and referred to the heavily increased policy loan demand.

"The unfortunate but inevitable effect of policy loans is that they lead to lapses and surrenders, often followed by deplorable results to the policyholders and to their beneficiaries," he said. "It is therefore our duty and the duty of each and every agent in the field to use, to the utmost, his persuasive powers to impress upon each of our policyholders the risk and danger of the loss to himself and to his dependents by his delay in the prompt and early repayment or reduction of his policy loan, even if in small installments."

President Van Dyke, in discussing the farm loan situation, said: "At the close of 1930 our farms on hand and unsold at cost were, in number, only about 1½ percent (1.56 percent) of our total farm

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Security Question Proves an Enigma

Diversity of Opinion Observed
Among Investment Experts of
Life Companies

FAITH IN RAILS PERSISTS

Real Estate Mortgage Situation Not Yet
Clarified, But Sound Farms
Are Considered Good

HARTFORD, July 23.—Just what securities life companies should invest in today, or next year, or in two years, is an enigma around which diverse opinions of experts today swirl. Despite the condition of railroad bonds, it is the consensus that rails are a necessary utility and will not be seriously hurt by water, bus or air competition.

It is believed that motor competition will be more and more regulated and taxed so that before long there will be beneficial cooperation between them and railroads. Neither air nor motor lines can combat the rails in tonnage, an overwhelming argument. Roads are not moving the tonnage of 1928 or '29, but it is felt they will as soon as business picks up. Therefore many investment men are buying railroad bonds.

Watch Farm Mortgages

Meanwhile, as agency organizations hum and the dollars pour in, life companies are keeping a watchful eye on farm mortgages. "It is not the end of the farm mortgage situation or of the city mortgage situation," an executive told THE NATIONAL UNDERWRITER this week. He is of the opinion, however, that the turning point has been reached and that life companies again consider sound farm mortgages one of the best investments.

"The country is gradually getting to the point where it will find a way to consume all foodstuffs raised," he continued. "We came out of the depression of '93 and '70, and we will come out of this one. There are no public lands to be thrown open by the government as there were in those times. Farmers will find themselves producing for home consumption, as Europe is now able to take care of itself as far as wheat and some other commodities go."

Land Value Appraisal

The theory of farm mortgages among life companies seems to be appraisal on land value rather than on upkeep of property. There are many good farms in this country and there are also many people anxious to buy good farms. Connecticut companies are permitted by law to loan only up to 50 percent of land value, so companies loaning on farms are not taking the chances they would be if they loaded up with city mortgages, this executive believes. City properties are fluctuating so much in value that companies find it hard to keep an accurate appraisal of them. It is felt that companies with a considerable amount of city real estate loans must take a decided loss before things will readjust themselves and that it will be some time before their holdings will be worth the price they could command two years ago.

Public utilities continue one of the big features in the investment field. Some companies are taking stock of operating companies, but none seems interested in holding company stock. There has, of course, been considerable depreciation of equities the past few months, but this is not considered

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Investment Structure Is New Competitive Feature

Indications of a greater interest among prospects in the investment structure of individual life insurance companies, thus introducing a new phase of competition in the field, are manifest today.

Perhaps it would be more accurate to say that life insurance agents are beginning to analyze more carefully the security behind the policies which they are selling. Their interest in this feature is being rapidly transmitted to the public.

One event in particular has probably served more than any other to start thinking in terms of life insurance company investment. That is the joint petition of life insurance and savings bank interests, favoring the request of the railroads for a 15 percent increase in rates. The relation between the prosperity of the railroads and the strength of life insurance has been brought to the attention of the public.

Subject at Conventions

Agency conventions this year are being addressed on the subject of the companies' investment policies. A general agent of one of the largest companies wrote to his president recently requesting that in his talk before the annual agency round-up he devote a few minutes to an analysis of the company's portfolio. To this the president replied that he had already sensed the desirability of talking on this subject this year and had conceived what he would say.

Other companies whose investments have stood up remarkably well are not slow to take advantage of that condition. Their agents are instructed to use this in competition. For instance, the Franklin Life of Illinois has gotten out a pamphlet containing excerpts from the examiner's report, featuring comment on its investments. These comments serve to illustrate the direction of the new competition. The quotations as to the company's investment are therefore presented in part:

Yield Is Substantial

"The yield on investments is very substantial, while the securities held continue to be of good quality and well diversified. In view of prevailing conditions, particularly in the farm loan field, the company's experience with its mortgage loans has been satisfactory.

"The past due interest at the close of 1929 amounted to less than 8 percent of one year's interest. While the number of defaults and foreclosures has been greater during the period covered by the examination than heretofore, yet the mortgages owned appear to have been carefully selected and of good quality, and the conservative policy of the company will doubtless be reflected favorably in its ultimate record.

"None of these securities are in default, past due interest of \$840 at the close of 1929 having been paid subsequently. The bonds in which the company has invested are apparently of excellent quality, having been selected with a view to conserving its resources rather than to obtain a high interest return. It will be noted that approximately 63 percent of the total are government and municipal issues."

New Item of Sales Talk

Heretofore the matter of investment has not been of paramount importance in competition. The agents talked insurance in force, ranking of the company in that particular, rates, the company's age, those subjects, however, being usually subordinated to the sales talk on the institution of life insurance and how life insurance will meet the demands of the prospects. Most prospects have been satisfied with the statement that except in a few mismanaged

and unimportant institutions, no policyholder in an old line legal reserve life insurance company has lost a penny.

Now, however, the public is bound to come to the realization that life insurance is not a splendidly isolated institution, that it has entangling alliances with railroads, agriculture, and the prospect is going to want to know, or will be taught to want to know, how the company whose insurance is being offered to him is faring.

Regulated by State

In the past, if there have been any questions from prospects as to the investment structure, the agent has usually been able to compose the mind of the prospective customer by saying that life insurance investments are closely regulated by the state, but now the public is sure to appreciate that not all investments permitted by the state are of equal value.

At this time the interest of the public in the investment structure is limited pretty largely to buyers of single premium endowment, life with annuity, and other forms more closely allied to banking than to insurance. Those in the market for policies of this kind have been analyzing the statements of the various companies pretty carefully and placing their business with companies whose interest earning statements make the best showing, whose prospective earnings seem best, and whose portfolios are not loaded with the type of investments which is in trouble or is likely to get in trouble.

Actuaries Are Interested

At the annual meetings of the American Institute of Actuaries and the Actuarial Society of America much time was devoted to consideration of investment tendencies. Speakers at the American Institute of Actuaries predicted a period of decreasing interest earnings, analyzed the farm mortgage situation and feared trouble ahead in the city loan field.

Of course, there are elements of danger in the new competition. Unscrupulous agents are likely to exaggerate the bad spots in the portfolios of competitor companies. They will intimate that the security of insurance in certain companies is doubtful. That sort of competition companies and general agents should put down. Investment misfortunes will result in lower dividends to policyholders and stockholders, but the face value of insurance is not threatened.

Beneficiaries Present at Witten's Meeting

L. C. Witten, general agent in southern Ohio for the Massachusetts Mutual played the role of host to about 400 policyholders, prospects and beneficiaries. Not only were beneficiaries who had received the benefits of policies present but also beneficiaries of living policyholders were invited. The guest of the occasion was Dr. S. S. Huebner of the University of Pennsylvania. There were two meetings during the session with Dr. Huebner addressing women on "Life Insurance for the Home" in the morning and "Business Risks and How to Meet Them" for the men in the afternoon.

Over 6,000 invitations were mailed out and local papers carried advertising space in honor of his visit.

'Academicitis' Evil Being Recognized

Excessive Schooling in Technical
Features of Business Harmful
to Some

PROPER TEACHING O. K.

One Company Picks Candidates Carefully for Advanced Training Course; Experts Must Be Salesmen

NEW YORK, July 23.—Present day sales conditions are showing up the difference between practical and impractical schooling for life agents, and demonstrating that what may be valuable and workable for one man may be useless and even detrimental to another.

Managers are coming more and more to the conviction that too much technical information about insurance may do more harm than good, for it tends to take his mind off making the sale and is likely to confuse the prospect.

Too often additional academic study of life insurance is made in order to bolster up weakness in production, but usually it is found that where there is such a weakness it is due not to a lack of technical knowledge but to poor prospecting or other faults of salesmanship that all the specializing in the world cannot cure by itself.

Selects Its Students

One of the largest companies uses great care in selecting agents to take its field correspondence courses, and relies on its agency managers to pick those of their agents who can make use of the advanced training offered by the various courses. They point out that there is little use in an agent becoming an expert on business insurance or life insurance trusts if he has no facilities for making contacts with the type of prospects who can use such service.

Similarly managers feel that the C. L. U. designation should not be considered as an open sesame to increased production unless the result of the study it represents can be actively utilized in an agent's work. In five or 10 years, however, it is believed that conditions may be changed, so that a large part of the insurance buying public will be so convinced of the value of having a C. L. U. man handle their insurance that they will refuse to do business with anyone else. It will be looked upon then in the same way that the Certified Public Accountant designation is taken now—as a guarantee of certain qualifications. Right now, however, the public is only beginning to be educated to its value.

Central Life Wins Suit Over Federal Tax on Earnings

ST. LOUIS, July 23.—The United States circuit court in St. Louis has reversed the board of tax appeals in Washington, and ordered abated approximately \$75,000 taxes assessed against the Central Life of Des Moines. The suit involved a reorganization contract made in 1919 and the tax was assessed against the society on \$2,108,619, earnings from 1921 to 1928. The court held that under the contract entered in 1919 the company was not subject to taxation on its nonparticipating business because such profits went directly to 14 stockholders.

Investment Hunger of Public Strong

Fidelity Investment Association
Closes Biggest Six Months
in History

LESSON FOR PRODUCERS

If Investment without Insurance Sells,
Plenty of Room for Insurance
Plus Investment

NEW YORK, July 23.—Cheering news to all supporters of life insurance as an investment is contained in the report of the Fidelity Investment Association, which had the biggest six months in its 20 years' history as well as the best June record in its career.

The association reports that it drew new contracts to the amount of \$28,120,000 in the first six months of 1931 as compared with \$22,818,000 for the same period last year, an increase of more than 23 percent.

The organization operates on a plan very similar to life insurance except that the emphasis is wholly on the investment angle. The death benefit element does not enter in any way. Its activity, however, offers an irrefutable argument in support of the investment feature of life insurance.

Indicates Investment Sentiment

Of the millions of policyholders of life companies in the United States it would be impossible to gauge just what part the investment consideration has played in influencing their purchase of life insurance. The Fidelity association, however, gives a clear cut picture, for obviously every one of its contract holders must be interested solely in the investment angle, and the type of investment, return, and assured safety of principal is almost identical with life insurance.

While the association's guaranteed interest return is 4½ percent, or considerably higher than that guaranteed by life companies on proceeds left on deposit, yet a comparison of actual earnings, including excess interest above the stated minimum, would hardly be such as to undermine the faith of life underwriters in the investment value of their own commodity.

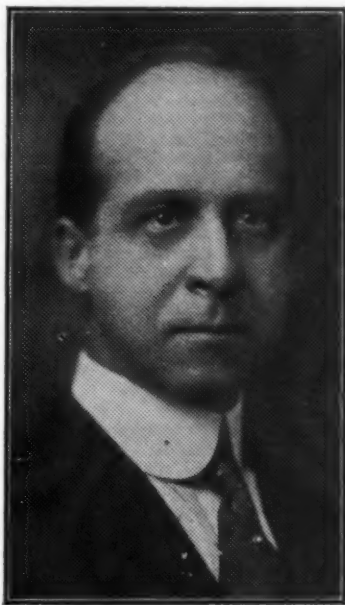
Little Conflict Seen

However, the two forms of investment, in actual practice, rarely come into conflict, although it is the policy of the Fidelity to recommend to investors that they carry sufficient life insurance to cover the hazard of their death before the completion of their investment program. Usually this is accomplished through decreasing term insurance as the contract holder is in effect building up his own reserve, which would be done by the life company under an ordinary life or endowment policy.

The Fidelity's method of operation and experience in placing its contracts indicate methods which may be useful to life underwriters. The association's plan has proved popular with widely varying income groups. While its list of contract holders includes an imposing array of important executives it is also true that the largest part of its business is done on the monthly payment basis, and this fact also applies to the large income groups.

The association's success in times like the present points to an ever increasing demand for diversified investments with the highest yield consistent with absolute safety.

Endorsed as Candidate for the Presidency



G. A. KEDERICH

NEW YORK, July 23.—G. A. Kederich, one of the four members of the New York City Life Underwriters' Association to be endorsed by that body for the presidency of the National Association of Life Underwriters, has had an outstanding career in life insurance, in association work and in civic enterprises.

He is supervisor of agencies for the New York Life in Brooklyn, Long Island, northern New Jersey, and part of Manhattan. He is president of the New York State Association of Life Underwriters and a past president of the New York city association and is at present chairman of one of its most important committees, the company relations committee. He is also a member of the association's executive committee.

Started With New York Life

Mr. Kederich's career with the New York Life is an interesting one. He is one of five brothers, all of whom occupy positions as supervisors or branch managers with the company in the New York area. Mr. Kederich began as a confidential clerk of Vice-President G. W. Perkins and when Mr. Perkins left the New York Life to go with Morgan's, Mr. Kederich divided his time between the New York Life and Morgan's. In 1904 he left the home office and became cashier of the company's largest branch in New York.

Mr. Kederich resigned as cashier and became a soliciting agent in 1908, continuing in that role until 1915, when he became agency director in charge of Brooklyn and all of Long Island. In 1925 he was made supervisor of agencies in the territory now under his jurisdiction. Mr. Kederich has long held an enviable record as a personal producer and his Brooklyn agency alone, at a conservative estimate, will pay for at least \$28,000,000 this year.

The others who were also endorsed by the New York association are: J. C. McNamara, general agent here of the Guardian Life of New York, L. G. Simon, of the Equitable Life of New York, and T. M. Riehle, associate manager of the same company.

Stonewall Life Convention

The agency convention of the Stonewall Life of Vicksburg, Miss., will be held at Gulfport, Aug. 14-15. The agents wrote \$862,600 during June in honor of President J. A. Hennessey. It only operates in that state. C. R. Styron is vice-president and general manager.

Methods Companies Use in Supervising Farms

All the life companies lending money within the last decade on farms as security have had many new problems to meet in handling farm mortgages. Fourteen of the larger companies in the field have been exchanging their experience to learn the best methods for helping the indebted farmers hold their land and still protect the insurance companies or the best methods of handling farms which companies have been forced to take over. These companies have not formed any permanent organization but representatives from their financial departments, in charge of farm loans and mortgages, have been meeting informally to exchange views and experiences.

Decline in Foreclosures in More Recent Days

Foreclosure of farm mortgages reached its height for the life companies about two years ago. Since that time there has been a gradual decline in the ratio of foreclosures to farm loans outstanding and today the foreclosure is comparatively rare, particularly where loans have been made in the last few years. Foreclosures have had to be made principally on loans which were made in the early 1920s. Those were made at the time when farm values were highest, when both farmers and companies were looking forward to a much longer period of farm prosperity, when conservative appraisals were rare. Those farmers who were able to withstand the first big drop in farm prices about 1922 and 1923 have been able usually to hold on to their land but many of them could not withstand the second big drop in farm prices which began about two years ago.

Not only lower prices brought many farmers to the financial breaking point but modern methods of farming also contributed. In the bright and high-priced days, many farmers went heavily into debt for farm machinery. When they lost this farm machinery, upon which they had counted for use in cultivating land purchased, they were left with the land without sufficient capital to carry on. That contributed to disaster for many.

Life Companies Forced to Meet New Situation

When the abnormal number of farm mortgage foreclosures began to hit the companies, it was immediately necessary for them to face a new situation. At that time, companies which had been depending upon individual financial correspondents, located over the country, to handle their loans, found themselves in a more advantageous position to meet the new demands than those companies which had handled their mortgages through independent real estate companies and agents. Thus, one western company had built up a national organization of financial correspondents, often one man to a state and in at least one of the more important farm states, two correspondents. These men in ordinary times were to look after the loans of the company, to promote the lending business, to appoint and contact local loan representatives, check appraisals and take care of any other items which had to do with the farm lending business. Thus when widespread farm ownership came, it had an existing organization which could be used for the new functions made necessary by farm ownership.

So far, this organization of financial correspondents has served as the foundation for this company's plan of handling farms. Where necessary, the financial correspondent has appointed assistants to help supervise the properties under its control.

Of course the first effort in all cases, where a farmer was having difficulty in

meeting his payments, was to help him to save his land while safeguarding the interests of the company. In many cases it was possible to do this. A mortgage on growing crops; a mortgage on chattel possessions; cooperation with the local bankers—these were methods used successfully in many cases to tide the farmer over until he could get sufficiently on his feet to avoid mortgage foreclosure. The problems were frequently aggravated by closing of banks throughout whole counties; the farmers' local financial aid, and often advisory counsel, were wiped out together.

When no plan could be devised to prevent foreclosures, the company next undertook to sell the farm. But the market for farm property has been so stagnant within the last three years that companies had no choice but to take over and hold the land.

State Laws Put Limit on Real Estate Ownership

State laws require insurance companies to get rid of properties they have taken in by foreclosure within limited periods of time. In Ohio the time is two years. In some states, Kentucky, as an example, the law provides that unless the company has got rid of such property within five years, the property escheats to the state. Recently all companies have had to obtain special permission of insurance departments to hold farm lands beyond the period set down as legal limits. Insurance commissioners have cooperated with the companies to avoid disastrous financial losses.

With rare exceptions, farm properties held by insurance companies are in relatively small units, with these units so scattered that it has been impossible to operate the farms upon the basis of large acreage management. Moreover since companies have been eager to get rid of land as rapidly as possible, whenever a fair price was offered, it does not seem practicable to undertake a system of operation which might have an influence against the sale of small units. In the far west, a few large acreage units are being managed under the supervision of companies but not elsewhere.

Much Attention Is Given to Types of Sales Contracts

In the meeting of farm company representatives, much attention has been given to types of sales contracts which might be made for the sale of farms. Thus in the one crop country, where it might be impossible to sell a farm for fixed and periodical payments, companies have been able to make sales by stipulating that the company is to have a fixed percentage of the value of the year's crop. It is possible in these cases, where only one crop is involved, for a supervisor of the company to be on hand when a crop is harvested and marketed, to see that the company's interest is protected. A farmer, who might be

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Show Life Payments Number to Your Editor

Along with this issue of THE NATIONAL UNDERWRITER is sent the 31st annual Life Payments Localized Number. Life underwriters are urged to show their copies of the Life Payments Number to their local newspaper editors and point out the great news value in the announcement of the payments. Readers are also asked to send in clippings of the Life Payment stories which appear in the daily papers on July 24 to THE NATIONAL UNDERWRITER's Chicago office, 175 West Jackson boulevard.

Right Mental Attitude Is Termed an Essential Trait

POISE AND COURAGE NEEDED

Northwestern Mutual Counsel Gives
Inspiring Talk at Annual Meeting
of Association of Agents

Mental attitude dominates in human life and is essential to real success in any and every worthwhile undertaking. H. N. Laffin, assistant counsel Northwestern Mutual, stated in his address on that subject at the annual meeting of the company's Association of Agents in Milwaukee.

He cited the poise, courage and indefatigable will of such great men as Abraham Lincoln, Nicolo Paganini, the great European violinist of a century ago, and Andrew Jackson in making his point, telling stories of these illustrious men to illustrate.

"Long ago Aristotle taught that the will is the center of the moral life," Mr. Laffin said. "Man may not only be the maker of his fortune, but he may be as well the architect of his character. Character is the sum total of what a man is; what he has dreamed, desired, determined, done."

Cites Factors in Success

"Let me assert then with all possible emphasis, success is for the individual of character, of vision, of high ideals, of forthright, courageous mental attitude toward life, its issues, its opportunities, its responsibilities."

Mr. Laffin said life insurance is an exalted vocation, rich in its possibilities of financial reward, but richer still in its opportunity for service to mankind. Life men can exalt their profession by their dignity and nobility of purpose, by developing fitness to meet life's issues, by improving the quality of their service to men. Proper mental attitude toward the company and faith in it are essential and will greatly help, he said, in "moving mountains of opposition and difficulty."

"There can be no adequate faith in oneself without a sane, rational heroism," Mr. Laffin said. "The timid soul, the cynic, the pessimist, the coward, is beaten ere he begins. The world pins no medals on physical, mental or moral cowards."

Sportsmanship Essential

The confidence of Napoleon in scaling the Alps on one of his campaigns and the clean sportsmanship of the Duke of Wellington inculcated on the playing fields of Eton also were cited by Mr. Laffin. He said this is the proper spirit to carry into business, the professions and the great game of life; that of clean sportsmen and gentlemen, in adversity or prosperity.

"Our mental attitude must make careful appraisal of the strength of our adversaries, of the difficulties to be met and overcome," he said, "and with faith, with courage, with enthusiasm, with the spirit of a true sportsman and gentleman, play the game and play to win. Psychiatrists tell us that we use but a small portion of our mental equipment—as an average possibly not over 30 percent. It is this reserve brain power, this unused mental energy that makes of every one of us a potential success. Your greatness lies within you. Be the builder of your own destiny."

E. L. Swearingen Dead

LOUISVILLE, July 23.—E. L. Swearingen, chairman of the board of the First Kentucky Fire & Marine, also a trustee of the Northwestern Mutual Life, Milwaukee, board chairman of the First National Bank, Kentucky Title Co., Kentucky Title Trust Co., First Kentucky Co., and Louisville Securities Co., died suddenly of a heart attack at his summer cottage in Cape May, N. J.

Agent's Defense of Disability

Victor F. Pettric, general agent for the Mutual Trust Life of Chicago in Milwaukee, writes to THE NATIONAL UNDERWRITER, taking issue with those agents who favor abolition or drastic restrictions in the disability income feature. He says the disability feature is an integral part of his selling method and that he would feel greatly handicapped without it. Furthermore, he feels that life insurance companies, because of their character, are more or less obligated to furnish this benefit. Mr. Pettric writes as follows:

"I have been following with considerable interest a discussion of the disability income question appearing in your paper. Unless I am wrong, it seems that your paper has been presenting the strongest weight of argument on the side of those favoring the modification or discontinuance of the disability feature. As a life underwriter I view this discussion with alarm and believe that the viewpoint of the field should also be presented in your paper."

A. & H. Too Restricted

"I was the winner of the Leader's Medal for the Travelers in 1920 selling accident and health insurance. Today I do not carry any commercial accident policy because I have become thoroughly convinced that the restrictions contained in all such policies constitute only a limited part-time protection to the insured. I am also convinced, as is P. H. Evans, vice-president of the Northwestern Mutual Life, when he states that in our highly developed civilization a man should be able to secure insurance against the adverse chance of total and permanent disability. And yet, the only insurance available today which is wholly and truly non-cancellable, non-contestable, non-restricted, lifetime income disability insurance is the present disability income clause of modern life insurance."

"With due respect to the Northwestern Mutual, in the shadow of whose home office building I work, I have never been able to approve of their attitude on the question of disability, since they recognize the hazard by their waiver of premium clause but stop in serving the policyholder under circumstances where they could do the most good."

Scale of Benefits

"In 1930 I insured 227 lives for a total in excess of one million paid for and it is part of my service to consider life insurance as a means to an end. I am a life underwriter and I do not believe that I render an underwriting service to any man until I have covered his minimum needs, which to the average man center around his disability income requirements. Thus I predicate all of my remarks to a prospect on the proposition that if he is an industrial worker with or without family his minimum needs are \$3,000 with \$30 per month disability income on the assumption that a dollar a day is the least he should have. To the man up the scale a little, a minimum of \$5,000 with \$50 monthly disability income is the least protection; to the married man with children at least \$10,000 with \$100 a month disability income; to the executive or professional man who can qualify, \$25,000 with \$250 disability income."

Factor in Popularity

"I would like to suggest this hypothetical question—assuming that a man has taken a \$5,000 policy without disability, even though that policy may have been in force for several years, and assuming that in the course of my work he has obtained a \$5,000 policy including disability income after my exposition to him of his minimum need, assume then that he is forced in later years, to discontinue one of the policies, which do you think he will drop first?"

"I am thoroughly convinced that the widespread popularity of life insurance today and its widespread distribution

has been made possible to a large extent by the inclusion of disability benefits in life insurance contracts. The feature guaranteeing the continuance of the financial program set up by life insurance has made a strong appeal to men to consider life insurance as an investment, and it certainly falls within the duty of a life insurance company to underwrite the hazards of life with the rate sufficient to cover the risk involved.

"I believe that your paper should remain wholly impartial in the discussion of this subject, although I believe your leanings thus far have been unfavorable to the disability question although that may be due to the fact that those who are panicky are making the most fuss, whereas the great bulk of the companies having satisfactory experience have not come forward to present their side of the question."

The following communication is from an agent in California, who feels very strongly about the disability provision, feeling that it would be a grave error to eliminate it from the agent's kit:

"Reading THE NATIONAL UNDERWRITER during the past few weeks has given me the impression that the magazine has been utilized as a propagandist sheet for the complete elimination of the disability feature from life insurance policies. There must be more than a mere handful of life underwriters who, like myself, regard the disability feature as something more than a 'considerable aid in arousing interest in a prospect,' to quote an article of the July 10 issue."

"In my estimation, all an agent need do is represent a company which incorporates a disability provision with definiteness, explain that provision definitely to his client, and there will result no confusion in the sale. There are

(CONTINUED ON PAGE 19)

Commissioners Plan for the Annual Meeting

NASHVILLE, TENN., July 23.—Insurance Commissioner Jess G. Read of Oklahoma, who is president of the National Convention of Insurance Commissioners, was in Nashville this week conferring with Secretary A. S. Caldwell regarding the annual meeting at Portland. Mr. Caldwell was catapulted out of office unexpectedly last week, but on request of President Read and members of the executive committee of the National Convention of Insurance Commissioners he will continue to act as secretary and chairman of the committee on examinations until the annual meeting. Mr. Caldwell is maintaining his headquarters at the Hermitage hotel in Nashville. The governor seemed to have made a promise during the legislative session that he had to fulfill, and sacrificed Mr. Caldwell. Mr. Caldwell had returned from a short vacation with his daughter at St. Simmons Island. The governor had given assurances from time to time that he would not be disturbed. About the only excuse offered was that Commissioner Caldwell had held the office for eight years and he had to give it to someone else. Mr. Caldwell got in touch with President Read immediately after he had resigned. President Read communicated with Commissioner Boney of North Carolina, chairman of the executive committee, who also expressed the hope that Mr. Caldwell would retain his position with the convention until the Portland meeting. Commissioner Boney at once got in touch with other members of the executive committee and all were in favor of this program.

Must Report on Disability, Double Indemnity Claims

CHANGE CONVENTION BLANKS

Report of Insurance Commissioners'
Committee Shows Modifications in
Annual Statement Forms

The committee on blanks of the National Convention of Insurance Commissioners has sent out to the companies its report on changes made in the regular convention form of statement filed by the various classes of companies. This report has been approved by the executive committee of the convention, making it under the regulations of that organization the act of the convention itself.

The change of probably the greatest interest to the life companies is the addition of a detailed report of policy claims and losses outstanding under five different classes: Death; additional accidental death benefits; disability benefits; matured endowments; annuities involving life contingencies. Under each of these classes the companies must report amounts due but unpaid; those with incomplete proofs, under adjustment or adjusted but not due; those resisted, and the estimated net losses incurred but not yet reported. This showing will, of course, be of particular interest in connection with disability and double indemnity claims.

New Item on Bank Deposits

Most of the changes made are in connection with the investment schedule. One item of interest in connection with the present financial situation is the addition of a new non-admitted asset item: "Deposits in suspended banks, less \$— estimated amounts recoverable." It is stated that this is included because otherwise companies may be taking credit for deposits which will never be recovered.

A change is made in the wording of the item relating to interlocking stock ownership. The question formerly read: "What interest, direct or indirect, has this company in the capital stock of any other insurance company?" It is now changed to read: "Is the company directly or indirectly owned or controlled by any other company or corporation and/or group of companies? If so, give full particulars."

Two Enemies in the War Form Insurance Relationship

Two men who fought each other in the world war, each determined to do his worst, now come together in the friendly field of insurance. Ted Grosh is a Penn Mutual life agent at Lancaster, Pa. Paul Weien has become a resident of that section. Mr. Grosh served on one of the U. S. vessels chasing submarines. Mr. Weien was a German and was attached to a submarine of his country. The two former war enemies met with the result that Mr. Weien has just been sold a policy by Mr. Grosh.

Good Weekly Record Shown

L. E. Rolfe, agent for the Northwestern National Life of Minneapolis under the H. D. Leslie agency of Los Angeles, finished his eighth year of consistent weekly production during the past week to become the third Northwestern National agent to reach that mark in the last two years. He has produced at least one application every week since joining the company in 1923 with H. O. Wilhelm & Co. of Omaha.

W. C. Tatham of the Hugh B. Keck agency of Chicago completed his second year's membership in the company's App-A-Week club at the same time.

Hearing on Rebating on Before Nebraska Official

ACCUSATIONS ARE PRESENTED

President Maher of the Old Line Life of Lincoln Presents Company Side

LINCOLN, NEB., July 23.—Hearing was begun Tuesday by Commissioner Herdman of the charges filed by E. J. Phelps, president of the Nebraska Life Agency Managers Association, against Ross Brown, F. R. Eaton and G. G. Wythers, charging them with violating the anti-rebating law. A. S. Johnson and President John G. Maher appeared for the Old Line Life of Lincoln, for which the accused held agents' licenses. C. P. Peterson, general counsel for the Bankers Life of Nebraska, and J. W. Kinsinger, general attorney for the Midwest Life of Lincoln, appeared for the complainant.

Policyholders Testify

Sixteen purchasers of policies, mostly from Agent Eaton, testified to payments of less than the regular premium for a full first year's insurance and to having received policies by mail. One who paid \$51 for \$10,000 coverage was rejected, and he said he had been unable to secure a return of the premium. President Maher said that the company had been unable to secure information as to how much it should return, the applicant first asking for \$416, the full amount of the premium on the policy he applied for, an attorney asking for \$51 while Eaton, the agent, said it was \$65. He had asked the applicant to make affidavit as to the circumstances and the form of payment, but this had been refused.

Insurance Excursion Rates

One witness who said E. Arnold, agent, sold him a \$5,000 policy for \$6, testified that the agent introduced himself by saying he was making excursion rates on insurance at that time. Other witnesses testified to having paid \$10 for \$5,000; \$20 for \$10,000; \$30 for \$10,000; \$15 for \$5,000 and \$21 for \$5,000. All said they had not been asked their ages. One said he signed an application in blank. None had been asked to pay more since. All of the transactions occurred since January 1, 1931.

At the beginning of the hearing President Maher, who had brought with him all of the files, told his attorney not to enter any objections to questions asked, as he wanted all of the facts brought out. He said that all of the applications were regular in form, calling for the regular premium, and that the company would not stand for rebating.

Later Mr. Maher said that the company had no knowledge of the acts testified to, and that in several other instances where rebating had been charged the company had made inquiry, only to be faced with affidavits from buyers that they had paid the full premium to the agent. He says he had not been able to find Eaton, who was the agent in

Darby A. Day Opened Coast Headquarters

Darby A. Day, formerly of Chicago, has now established his headquarters at 930 Western Pacific building, 1031 South Broadway, Los Angeles, where he will be director of agencies of the Pacific Coast division of the Old Line Life of Milwaukee. He will have jurisdiction over California, Oregon and Washington. Mr. Day expects to begin work actively to put the Old Line Life on the coast in a notable way.

Birmingham Desires the 1932 Convention

BIRMINGHAM, ALA., July 23.—The Birmingham Association of Life Underwriters at its meeting decided to invite the National association to hold its 1932 convention in Birmingham. Local companies offered to assist in the entertainment and the delegation which attends the Pittsburgh convention Sept. 21 will be accompanied by representatives of the chamber of commerce and the convention bureau.

Aetna Life 1931 Convention

Plans Are Being Made for the Agency Conference Sept. 14-19 at New London

An elaborate program is planned for the agents and the general agents of the Aetna Life at the combined general agents conference and regional meeting to be held Sept. 14-19 at New London, Conn.

One of the principal features according to an announcement by Vice-president K. A. Luther, will be a visit to the home office. This is scheduled to require one day, Sept. 16. The men will go to Hartford from New London by bus.

A sight seeing tour of the Aetna Life's new home office, an organ recital in the auditorium, a luncheon in the cafeteria, and a business session, also in the auditorium, will constitute the program.

The regional meeting will adjourn Sept. 17 and the general agents conference will take up Thursday. The conference will last two days, providing two business sessions, a golf tournament and an informal dinner.

The keynote of both meetings is to be "Net Results." For "Regionnaires" it will be "Net Results—the true measure of progress for the Aetna-izers." For the general agents, "Net Results—the yard stick of agency accomplishment." In both instances, the programs will be built around these themes.

Bankers Life Meeting

KANSAS CITY, MO., July 23.—The Kansas City and Lawrence agencies of the Bankers Life of Iowa met in Kansas City for an all day business session with Frank McGraw, assistant secretary of the underwriting department, and Mr. Curry, both of the home office. Reid Hake is general agent for the company in Kansas City and R. V. Barnes at Lawrence, Kas.

Rathbun Agency Ahead

The George A. Rathbun agency at Los Angeles of the Equitable Life of New York, produced \$8,549,835 written business the first six months as against \$8,306,489 in the same period last year, an increase of approximately 3 percent. Premium income accruing from new business increased 13.5 percent, indicating a substantial increase in the average premium on new insurance.

most of the transactions testified to.

Mr. Maher said that unfair and untrue inference has been drawn from the acts of agents that the company had given them 100 percent contracts, or that it had turned over to the agents notes they had taken in these transactions as the notes never were in possession of the company. One witness testified that he had paid Eaton \$30 as premium for a \$10,000 policy for one year and executed a note for \$275.15, the remainder of the regular premium, but that Eaton had turned the note back to him when he paid he \$30, under an agreement made at the time.



New York Life Agents' compensation includes "Nyllic," a monthly payment beginning after two years' service, based on previous production. This gives them a certain regular income increasing from time to time during the next 18 years, based upon the same annual production of new business. "Senior Nyllics" have served a minimum of 20 years and are drawing an annuity, payable in monthly instalments, which will continue for life. Most of them are still active in writing new business, though they have the right to retire.

NEW YORK LIFE INSURANCE COMPANY

51 Madison Avenue, Madison Square
New York, N. Y.

Caution or Accident?



The grim warning "Drive Slowly, Death is so Permanent!" has been heeded by thousands of drivers over dangerous roads.

In this country accidents are now the largest single cause of the Crippling, Dependency and Destitution which call for relief.

Here are listed the twelve most frequent means of accidental injuries in the order of their fatality:

- | | | |
|----------------|--------------------|-----------------------|
| 1. Automobiles | 5. Railroads | 9. Mines and Quarries |
| 2. Falls | 6. Poisonous Gases | 10. Fires |
| 3. Drownings | 7. Firearms | 11. Poisons |
| 4. Burns | 8. Machines | 12. Suffocations |

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ACCIDENTS took 100,000 lives, caused approximately 10,000,000 more or less serious injuries and cost more than \$1,000,000,000 last year in the United States.

Among those killed by accident were 18,000 children under fifteen years of age.

No one knows how many accidental injuries and deaths are due to uncontrollable circumstances. Nevertheless, how many of the accidents which happened to members of your family or your friends—accidents which you know all about—could have been avoided?

Last year there were about 46,000 fatal accidents in homes and in industry. Elsewhere there were about 54,000 accidental deaths. Among the latter group 32,500—motorists and pedestrians—were killed by automobiles. But while the tide of accidents is steadily rising, there are some bright spots in the dark record.

Better traffic regulations in a large number of cities are reducing the percentage of street accidents and the toll of killed and maimed children.

Police officers and school teachers are training children to be careful.

Safety appliances and methods installed by the foremost industries are saving many lives. But systematic accident prevention in homes has hardly begun.

Falls in homes caused 8,000 deaths last year; burns, scalds and explosions 5,400; asphyxiations 3,600; and fatal poisonings 2,000. Much remains to be done to check home accidents caused by recklessness and thoughtlessness.

The Metropolitan Life Insurance Company urges you to send for its free booklets on accident prevention. Ask for Booklets 7-NU-31.

METROPOLITAN LIFE INSURANCE COMPANY
FREDERICK H. ECKER, PRESIDENT ONE MADISON AVE., NEW YORK

NEWS OF THE COMPANIES

Record for the Six Months

President Williams Tells What the Western & Southern Has Accomplished in That Time

At the directors' meeting of the Western & Southern Life, President C. F. Williams announced that in the past six months 807 new agents had been appointed, 96 had been promoted to assistant superintendents, 11 assistants promoted to superintendents. There were 1,184 salaries of field representatives and home office employees increased. New business for the six months was \$105,439,552. The assets as of July 1 are \$120,926,015, increase \$5,500,000. The reserve is \$101,330,355, increase \$3,750,000. It has \$10,000,000 capital and net surplus \$7,539,068, increase \$2,000,000 since the first of the year.

New Life Company Launched in Waterloo by D. C. Rogers

WATERLOO, IA., July 23.—The Old Counsellors of America Life Savings Assurance of Waterloo has filed its incorporation papers. It will operate under the mutual legal reserve plan and issue all forms of contracts and annuities. The plan of operation calls for the writing of business on a mutual participating basis for a limited period, or until the volume of business in force reaches an amount deemed sufficient to warrant the company becoming a stock organization.

D. C. Rogers is president. He has been in the insurance business in northeastern Iowa territory for nearly 20 years. P. W. Eighmey, first vice-president and secretary, is also well known in Waterloo through his 14 years' association with the First National Bank and more recently as representative for the First Guardian Securities Company of Chicago.

Others who are connected with the organization are: E. W. Arbegust, Lamont; M. C. Arbuckle, Waterloo; Dr. G. C. Bairnson, Cedar Falls; F. L. Benedict, Dr. G. G. Bickley, R. S. Eickelberg, Donald Graham, R. H. Hostetler, L. C. Hurwich, R. A. Rath, H. W. Shaw, Dr. Eugene Smith, N. P. Sorensen and R. M. Lauerma, all of Waterloo; Wilbur Polson, Cedar Falls; R. W. Woolverton, Cedar Falls, and J. W. Wheeler.

Temporary headquarters are at 318 Lafayette building.

Strive to Break All Records

BALTIMORE, July 23.—In an endeavor to break all their industrial records for a week's production the Eureka-Maryland has started a national one-week campaign of this character. The drive is under the direction of Thomas J. Mohan, field manager.

The home office organization and Baltimore agents in the Eureka-Maryland joined forces for a combined big outing last Saturday at Crystal Beach, near Baltimore. Over 250 attended including the executive staff headed by President J. N. Warfield.

Bankers of Baltimore Launched

BALTIMORE, July 23.—The Bankers Life of America has been incorporated here by R. E. Preece, L. H. A. Pierson and R. E. L. Young of Baltimore, who are also temporary directors. It is understood that New York and Philadelphia interests are allied in the formation of the new company. The authorized capital will be \$200,000, the majority of which, it is understood, has been paid up. Offices will be at 3 East Lexington street. Health and accident

and life will be written and the field of operation will be the Atlantic coast states. The insurance department tax commissioner's office and the state departments have approved the charter.

American Bankers Sets Record

The American Bankers reports June production of ordinary life business the largest in its history. The previous high mark set in June, 1925 was surpassed by a considerable margin. June was anniversary month, and many field men were successful in spelling out "Anniversary" with 11 applications for \$20,000 or more.

The six months' record shows 33 percent increase in new business over 1930, with a good increase in insurance in force for the same period.

Marquette Life Moves

The home office of the Marquette Life of Chicago has just been moved from the Marquette building in the loop to 111 East Pearson street in the Illinois Women's Athletic Club building. John MacArthur is president of the Marquette Life. He is a brother of Alfred MacArthur, president of the Central Life of Illinois. The Marquette Life operates in conjunction with the State Life of Illinois.

Colorado Life Progresses

The Colorado Life has progressed through the first half of 1931, its outstanding insurance on June 30 being in excess of 30 millions. June was the largest month for new business the company ever had. The Colorado Life proposes to enter additional western states in the fall and after the first of next year to enter a number of states east of the Mississippi river.

American Bankers Get Debit

The reinsurance of the Citizens Life of Indianapolis by the American Bankers adds more industrial life debit to the Indianapolis district of the latter company. It is being handled at present as a No. 2 district but later will be worked into No. 1 proper. The business is mostly centered in Indianapolis with some at Gary and Muncie. Negotiations for the reinsurance were handled by Vice-President Welch and Divisional Supervisor E. R. Jones of the American Bankers. Special Agent Floyd Jones is in charge of transferring the business.

New England Mutual Gains

The New England Mutual Life's new paid business in June showed a 34 percent gain, making a 7 percent increase for the first six months of 1931.

Bankers Mutual Life

Based on results of the first six months, J. C. Peasley, secretary and general manager of the Bankers Mutual Life of Freeport, Ill., estimates that the company will close this year with a paid-for business of from \$10,000,000 to \$11,000,000. The company showed an increase in paid-for business the first six months over the same period last year. It is steadily developing a producing agency force. Its largest branch office is at Detroit and its second largest producing unit at St. Louis. It operates in Illinois, Michigan, Indiana and Missouri and will not enter additional territory until it has further expanded its agency plant in these four states.

Old Line Life Conferences

The Old Line Life of America will hold a school for advanced agents at the home office in Milwaukee July 27-29 and a meeting for general agents in the middle west July 30-31. Both conferences will be held under the direction of Dr. C. J. Rockwell.

Consoling Features Found in Six Months' Production

The Life Insurance Sales Research Bureau has issued a review of the first half of 1931 which points out some favorable factors in sales during the period in spite of the decline in business as compared with the same period in 1930.

When 1931 production is compared to 1930 the contrast is to inflated sales while in other industries a year ago the depression was already strongly felt.

The report says life insurance gained 3 percent in the first half of 1930 while the sale of most commodities showed a steady downward trend, the economic depression not being felt in life insurance until May, 1930.

The bureau makes a comparison of life insurance sales for the first six months of the last ten years as an indication of enormous gains. Sales showed a steady increase for the first six months in the various years with the peak reached in 1930.

The volume purchased in the first six months of 1930 was an increase of more than \$2,500,000,000 over what was bought in the same period in 1921.

In the first six months of 1931 the volume of insurance paid for in the United States was half again as large as in the same period of 1921.

Country Life Sells Term Form Only in Mid-Summer

General Manager L. A. Williams of the Country Life of Illinois has developed a successful system for overcoming midsummer dullness in sales. He has set aside the period from July 10 to Aug. 10 as the only time during the year when the Country Life 12 year convertible term insurance, sold in wholesale lots to groups of 50 with a maximum of \$3,000, will be accepted at the home office.

In launching the campaign, the Country Life was successful in getting valuable newspaper publicity throughout Illinois, many papers carrying Associated Press dispatches to the effect that this special policy of the Country Life would save farmers of the state thousands of dollars and would provide protection at minimum cost during this period of agricultural grief. A goal of \$7,000,000 has been set for the month. Annual premiums only are accepted on this term business. The campaign is launched not only to counteract midsummer dullness but to coincide with the receipt of proceeds from the harvest of wheat and oats by Illinois farmers.

The Country Life, which is closely affiliated with the Illinois Agricultural Association, is making great progress. Its lapse rate is only about 5 percent; its investments are worth \$18,000 more than was paid for them and its insurance in force now stands at \$40,529,000.

Tennessee's Commissioner

Joseph I. Reece of Johnson City, Tenn., who becomes the new Tennessee insurance commissioner, graduated from Carson-Newman College in 1908 and later took degrees at the University of North Carolina and Harvard. Recently he has been at the University of Chicago, getting his Ph.D. degree. He was superintendent of schools at Clearwater, Fla., for eight years and for the next five years was dean at Carson-Newman college. He has not been active in politics.

W. H. Bender, A. K. Long

W. H. Bender, a veteran Equitable of New York man in Chicago, who left that company a few months ago to become Chicago and Cook county manager for the Acacia Mutual, has resigned to become assistant agency manager of the Boyce agency of the Equi-

able at Syracuse, N. Y. He has already assumed this post. A. K. Long, who went to Chicago some months ago from the Acacia's home office, has assumed charge in Chicago as acting manager. It is probable nothing will be done about an appointment there for some time. Mr. Long has been with the Acacia nearly five years, all but nine months in the home office, serving in many departments.

Warfield Agency Moves

Edward Warfield Agency, Eureka-Maryland general agents in Baltimore, has moved from the home office building to new quarters in the Vickers building, 225 East Redwood street.

C. L. U. Chapter Meets

The Chicago chapter, C. L. U., will dine at the Midland club July 28, when program for C. L. U. activities in the territory will be discussed. The chapter is very active under Gerard Brown, Penn Mutual, and sponsors many educational projects.

Peoples Life Convention

The annual agency convention of the Peoples Life of Frankfort, Ind., will be held at the head office Aug. 27-28.

Guardian Life Agents Meet at White Sulphur Springs

R. A. Trubey, manager Guardian Life at Fargo, N. D., was elected president of the Leaders' Club at the agency convention at White Sulphur.

Other officers are: E. P. Herbert, McNamara agency, New York, first vice-president; Miss Maud McCallister, St. Louis, second vice-president; vice-presidents at large: Eastern district, J. C. McNamara, manager, New York; central district, W. A. Gray, St. Louis; southern and southwestern district, J. R. Wilson, Little Rock; Pacific, mountain and northwestern district, George Leisander, San Francisco.

The McNamara agency, New York, won the president's cup for the third time, thereby gaining permanent possession of it.

Veterans of ten years or more whose quinquennial anniversary occurs this year were honored, the leader being Manager Arthur Niemeyer, Belleville, Ill., with a record of 40 years.

R. K. Kriss and Jacob Grob, both of Cleveland, shared honors for consecutive weekly production, each recording 499 weeks. There were 19 others with records of from one to seven years. J. E. Meredith, former Olympic athlete,

won the trophy for the McLain golf tournament.

Bankers of Nebraska Convention

The Bankers Life of Nebraska announces that the next annual convention will be held early next January at Lincoln, during which the 45th anniversary of the company will be celebrated. The six months' qualifying contest has now started.

Restricts Disability Writing

The Prudential has informed its field force that it will no longer issue disability waiver of premium on policies issued with the aviation rider restricting the company's liability in case of death from flying activity to the reserve of the policy nor will it issue disability waiver in cases where the rating on account of the flying hazard amounts to \$10 or more per thousand unless the policy also contains the disability income feature. Disability will not be issued on policies containing the aviation exclusion rider, however.

President James A. McVoy of the Central States Life, St. Louis, is recovering from a major operation resorted to recently after he had suffered ill health for several months. The agents are making a drive for him.

LIFE AGENTS

SINCE the inception of Life Insurance members of your profession have been instrumental in insuring the success of their clients. Often times to the extent that they have forgotten that they too would some day have to measure their own success. Analyze your case. Are you satisfied that you are successful or that you are becoming so? If not, write us immediately in order that we may show *you* how we can insure your success, at the same time insuring the success of your clientele.

Address your communications to



The Minnesota Mutual Life Insurance Company
St. Paul, Minnesota

LIFE COMPANY CONVENTIONS

Franklin Life Convention

Agency Club Gathering Had Many Important Subjects Presented by Home Office People

The Franklin Life of Springfield, Ill., held its agency club meeting at the home office. Vice-president J. W. Jones opened the session, there being in attendance 89 members of the \$100,000 Club. This week members of the club whose production exceeded \$200,000 and those who are members of the half and quarter million dollar clubs are in Los Angeles.

President H. M. Merriam welcomed the delegates to Springfield. R. L. Colby of Indianapolis qualified as vice-president of the Half Million Club. He was president last year and could not succeed himself in the same office. A. L. Weir of Ft. Worth qualified as president of the Quarter Million Club and J. A. Blain of Goodland, Kan., as vice-president. J. L. Newton of Atlanta, Ga., became president of the \$100,000 Club and R. L. Conner of Springfield, Mo., vice-president.

Abels Was a Speaker

Vice-president Henry Abels spoke on the need for better technique in the service element of all sales contracts and the necessity for the expansion of sales training in the field.

The renewal prizes were won by James Godard, Denver; R. L. Colby, Indianapolis; A. L. Weir, Ft. Worth; Claude Fuquay, San Antonio, and J. T. Jenkins, Memphis, all general agents.

Actuary F. R. Jordan spoke on the developments in disability insurance during the last two years. He stated that the Franklin Life's experience has been comparatively favorable, particularly in connection with large policies. The experience is not so favorable, however, that no changes will be made if the trend of the times should warrant them.

Franklin's Investments

Vice-president A. O. Merriam spoke on the investments of the Franklin. He stated that they have not been materially affected by the business conditions. It owns no stocks and therefore its investments have not been subject to much fluctuation. It has no bonds nor any interest on bonds in default. The mortgage loan investments have maintained a satisfactory stability.

P. B. Kane, conservation director, offered some facts and figures demonstrating the advantage of increasing the time allotment of the agents for conservation purposes. Personal contact with the policyholder is sometimes just as valuable as contact with the prospective policyholder.

Superintendent of Agents C. E. Ran-

dall presided over a forum discussion in which the field men participated. Mr. Randall stated that improved persistency would result from more careful selection of prospects. Every income divides itself automatically into that part spent for comforts and that for necessities. Life insurance, however valuable it may be, even if it is regarded as a necessity, cannot compete with a man's stomach for his income dollar. If he has dollars enough to provide some of the extra comforts or luxuries, then life insurance should and can compete successfully, in his opinion. He said the whole world is more insurance-wise now than ever before because life insurance has withstood the test that has broken down confidence in so many other investments.

Claris Adams a Guest Speaker

Claris Adams, executive vice-president of the American Life of Detroit, gave the final address. He pointed out the glories of life insurance and predicted that the country is on the eve of the greatest life insurance era in its history. He said that the public is not only investment minded but investment wise. The only sure choice is life insurance because it has not disappointed anybody by failure to live up to expectations. He said that the vision, capacity and integrity of life insurance management constitute one of the greatest triumphs of the present age.

Pan - American Convention

Annual Agency Gathering Brought Together Leading Men Out on the Firing Line

With almost 200 agents and their wives in attendance the 1931 convention of the Pan-American Life held in Toronto, was the greatest one ever staged by the company, in accomplishments if not in size.

The meeting was opened by Howard Armstrong, deputy superintendent of insurance of Ontario who welcomed the delegates. L. A. Goodman, Texas general agent and leading producer, responded. There followed addresses by C. H. Ellis, president of the Pan-American, E. G. Simmons, vice president and general manager and S. E. Allison, vice president and actuary. Ted M. Simmons speaking on "Yesterday, Today and Tomorrow" said that modern-day sales methods must be adapted to use in life insurance if agents are to succeed. C. J. Mesman, manager agency analysis bureau, gave a graphic talk on the importance of self analysis and analysis of writings from year to year. D. W. Kemp, field superintendent, spoke on the importance of having a definite selling plan.

Six members of the organization re-

ceived charter memberships in the new producers' organization, the Dynamo Club. Requirements are \$200,000 paid business during any calendar year and the six men receiving awards had made their annual quota during the first six months of 1931. L. A. Goodman, Texas general agent, A. H. Himchak of Pennsylvania, H. M. Shove and L. L. Dwight of California, O. W. Chandler of Missouri and J. S. Taylor of Georgia were those honored with original charter memberships. They were awarded diamond-studded emblems of the Club with their certificates of membership.

At the conference of general agents and managers the new field training course was introduced and loudly acclaimed.

The second agency convention of the **Stonewall Life** will be held at Gulfport, Miss., Aug. 14-15.

NEWS FROM NEW YORK

BROOKLYN NATIONAL CAMPAIGN

General agencies of the Brooklyn National Life have begun a four weeks' campaign in honor of approaching birthday of President W. R. Bayes. The campaign will end July 28, with an outing and a "Bayes' birthday party," at Midland Beach, Staten Island, at which Mr. Bayes will be the guest of honor. Prizes will be awarded to the winners in the contest.

GRAHAM'S AGENCY'S RECORD

J. P. Graham, general agent of the Aetna Life in New York City, has received word from his home office that his agency ranked first among the company's offices in percentage of net gain of insurance in force for the six months just ended. The agency's production for the first half year was \$2,800,000, an increase in paid for business of about 20 percent over the same period of last year.

PAYS FOR MILLION

The J. A. McNulty agency of the Prudential paid for \$1,008,000 in the first 20 days of the month, exceeding by a considerable margin its 1930 figure for the entire month of July, which

Smith Promoted to Agency Position by Pacific Mutual

Jens Smith, veteran manager of the Pacific Mutual Life at Chicago, has been appointed assistant superintendent of agents, effective Aug. 1. He plans to leave the field Sunday in which he has been an insurance man 26 years, and will enter the agency department at the home office.

Mr. Smith was assistant cashier of the Home Life of New York in Chicago five years, then went with the Pacific Mutual in Chicago in the cashier's department. He became traveling auditor, and March 1, 1916, was appointed manager of the Chicago branch. The office has had a large growth and successful experience in life, accident and health under him.

His appointment is in line with the old policy of President G. I. Cochran which largely was responsible for organizing some branches to train men for higher executive duties.

Mr. Smith has been a wheel-horse in cooperative work in Chicago, a trustee of the Chicago Association of Life Underwriters many years, treasurer one year, and is vice-president of the Pacific Mutual agency association. He is resigning all these connections.

Frank D. Cummings, assistant superintendent of agents with headquarters at Chicago for a considerable time, is taking charge of the office pending definite arrangements.

E. E. Henderson, eastern agency supervisor for a year and a half, who has had his office in Chicago, is transferred to Philadelphia, where he expects to open an office separate from the two agencies now there, continuing as eastern supervisor.

was \$859,000. The agency paid for \$7,181,000 and now ranks fourth among the companies' agencies countrywide in paid-for business, although only slightly more than two years old.

"Analyzing Life Situations for Insurance Needs," by G. M. Lovelace, tells how to employ methods which will interest each individual type of prospect. Price, \$2.25. Order from the National Underwriter.

Figures for First Six Months

	New Paid Business		Inc. or Dec. in Insur. in Force	
	1931	1930	1931	1930
Gem City Life.....	\$ 1,529,783	\$ 3,390,072	\$ 198,278	\$ 1,903,773
Continental Life, Mo.....	8,906,939	10,065,922	—1,241,723	1,845,826
Commonwealth Life (Ord.).....	8,219,939	7,641,681	1,331,593	1,942,938
Commonwealth Life (Ind.).....	13,337,780	11,265,824	—	—
Great Southern Life.....	*17,180,472	*19,531,930	—9,522,083	†63,462,442
Mutual Benefit Life.....	92,439,259	119,035,100	—1,674,849	46,941,068
Volunteer State Life.....	4,891,770	5,015,671	—2,352,959	—433,544
Security Mut. Life, N. Y.....	6,746,542	9,726,015	—2,957,380	723,747
Seaboard Life.....	2,439,414	2,352,059	1,051,248	1,287,264
Midland Mut. Life, O.....	7,527,776	8,094,351	1,176,645	3,047,330
Country Life.....	7,066,000	—	5,278,500	—

*Does not include group.

†Includes reinsurance of Southern Union and American Southern Life.

Indiana
Ohio
Texas
Michigan
Tennessee
West Virginia
North Carolina
Pennsylvania
New Jersey
Maryland
Wisconsin
Minnesota
North Dakota
South Dakota
Iowa
Missouri



Washington
Illinois
Oregon
California
Arizona
New Mexico
Utah
Montana
Kansas
Nebraska
Arkansas
Oklahoma
Louisiana
Mississippi
Colorado
District of Columbia

Mock Prosecution Brings Out Good Selling Advice

NORTHWESTERN MUTUAL ACT

Dr. Albright, on Stand at Agents' Meeting Confesses All—French Heads General Agents

A brilliant "expose" of achievement closed sessions of the association of Northwestern Mutual agents Wednesday morning with Arthur C. Hoene, Duluth, Frank Horner, Madison, and E. T. Proctor, Nashville, conducting a prosecution and quizzing outstanding underwriters on their selling experiences.

Mr. Hoene led the prosecution against Dr. C. E. Albright who asserted in answer to questions that he spends all his time prospecting getting most of his information from his policyholders, and some from newspapers and other sources. Dr. Albright said he attributed his success to his love of insurance business. One of the advantages of the business is that an agent can choose his customers.

Get More Friends

Asked what he would do if he were a new agent knowing what he now knows about the business, Dr. Albright said he would follow the same procedure which was advised him when he started in the business, to increase his friends. His greatest sales argument in a period of depression is stability of the life insurance policy comparable only to government bonds and in a number of respects superior to bonds.

Emmett Cowell, Red Bud, Ill., quizzed on his feat of writing 212 lives in a town of 1100 said ten percent of his business is on policyholders previously written. Most cases are prepaid with application, he told Prosecutor Charles S. Beck, Toledo. The producer told the prosecutor he makes sale of insurance first and makes survey of client's insurance after. As a servicing proposition he keeps an active prospect file of 1,000 names.

Clary Gives Inspiration

Closing the sessions Michael J. Cleary, vice-president, in an inspirational address urged life underwriters to have faith in the future of their country, their business and themselves and to carry this confidence with them so others will imbibe courage from them. He predicted greater future for life insurance than can now be realized.

The general agents association of the Northwestern Mutual Life elected Harry French, Madison, Wis., president succeeding C. L. McMillen.

A. L. Baldwin, Washington, D. C., B. J. Stumm, Aurora, Ill., and A. C. Hoene, Duluth, were made vice-presidents.

At the annual dinner Tuesday night agents presented Dr. Albright with a handsome desk set in recognition of his twenty-fifth year as highest producer in company.

At closing sessions Wednesday morning the following were elected to the standing committee of the Association of Agents; M. P. Coonan, St. Paul, chairman; A. D. Fogarty, Des Moines; C. B. H. Loventhal, Nashville; Ben S. McGiveran, Eau Claire, Wis., and E. R. Young, Jackson, Mich.

Takes Home Office Territory

KANSAS CITY, MO., July 23.—B. A. Hedges, general field supervisor of the Business Men's Assurance, has taken over the development of home office territory, which includes Missouri and Kansas, exclusive of the territory covered by the Kansas City branch office, and other states where the branch manager system has not been put into effect.

J. C. Higdon, vice-president in charge of sales, has taken charge of part of

Mr. Hedges' former work with managers because of the time the latter's work will require. Mr. Hedges will continue to supervise the correspondence courses, field schools and circularizing.

Merger Deal Approved

Stockholders of the Farmers' Life of Denver, which was recently absorbed by the Pacific States Life of Hollywood, Calif., have voted unanimously to approve a reinsurance contract by which insurance in force is transferred to the Hollywood company. President W. L. Vernon of the Pacific States recently was in Denver completing details of the merger. The Farmers' Life shows insurance in force \$15,619,463, and assets \$3,466,070. Acquisition of the Denver company increases insurance in force of the Pacific States to \$43,000,000; advances its assets to \$7,008,068, and gives it an annual life and accident premium income of \$1,459,942.

Greater New York Record

The total sales of life insurance in Greater New York for June are estimated at \$105,858,000 by the Life Insurance Sales Research Bureau.

Order your National Underwriter Life Insurance calendars now!

Security Life, Chicago, Is Granted Restraining Order

HOLDS OFF MICHIGAN ACTION

U. S. Court at Detroit Issues Temporary Injunction to Prevent License Cancellation—Hearing Sept. 8

Action of Commissioner Livingston of Michigan last week in notifying the Security Life of Chicago that its Michigan license and licenses of agents would not be renewed, very quickly was offset by the company's attorneys, who Wednesday secured a temporary restraining order from the federal district court at Detroit, directed against the department. Date for a hearing at Detroit to determine whether the injunction should be made permanent was set Sept. 8.

The Security's petition was filed in the court of Federal Judge E. A. O'Brien. The attorney-general at the Wednesday hearing filed a motion in behalf of Commissioner Livingston to dismiss the petition, but this was denied.

Thereafter on motion by the Security's attorneys the temporary order was

issued. The effect is to prevent the commissioner from cancelling the licenses until the hearing.

W. G. Wilson Agency Director

The New York Life has appointed W. G. Wilson agency director of the Harrisburg, Pa., branch, succeeding the late G. M. Spangler. Until his appointment Mr. Wilson was organizer in charge. He went to Harrisburg from Reading. The Harrisburg agency includes 18 counties in central Pennsylvania and has a field force of 93 men and women. Mr. Wilson has been with the company seven years.

Northwestern Mutual Meeting

Nine trustees were reelected at the general election of the Northwestern Mutual Life in Milwaukee. S. C. Dows, vice-president Iowa Railway & Light Corporation, Cedar Rapids, Ia., was elected for the unexpired term of H. L. Rose, Louisville banker.

F. T. Kellock Dead

F. T. Kellock, corresponding secretary of the Metropolitan Life, died at his home in Larchmont, N. Y., July 20 after a prolonged illness. He was 50 years old. He was a native of Gastonbury, Conn.

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PROTECT"

THE FARMERS & BANKERS LIFE INSURANCE COMPANY

H. K. Lindsley, President
J. H. Stewart, Vice Pres. F. B. Jacobshagen, Secy.
WICHITA, KANSAS

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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Member Audit Bureau of Circulations

Sales Field Unusually Clean

DECEPTIVE methods in selling life insurance are no longer common. Now and then a high pressure artist may misrepresent, but as a rule the sales field of life insurance can be said to be comparatively clean. There is some twisting which should not be done. Men eager to get business may go too far, but taken by and large life insurance selling has not much to apologize for so far as its men in the field are concerned.

The New York department forbids companies in that state to use the term "deposit" instead of premium on the ground that it tends to leave a wrong impression in the mind of those soliciting.

Superintendent VAN SCHAICK takes the position that the word "deposit" indi-

cates that a person making a deposit has entire title to what is deposited. This may be rather far fetched. While a person paying a premium does not have claim to the entire premium, yet he has a very large equity as the policy grows older. We have never seen much justice in decrying the use of the word "deposit." Some agents compare insurance to banking and there is pretty much of an investment and banking side to life insurance. Perhaps the New York department, which is very ably and efficiently managed, has leaned somewhat backward in making this ruling. Certainly life insurance should keep itself free from misrepresentation and should shine with its own particular light. It does not need to lean on banks.

Lessons from Death Causes

STATISTICS showing death causes for the last two or three years and brought up to date this year leave an indelible impression on those who study statistics. Last year, for example, diseases of the heart constituted the principal cause of death with most companies. Perhaps the ratio would run somewhere near 19 or 20 percent. That ratio continues during this year and even is somewhat in excess of last year's ratio. The strain has been terrific. Men have succumbed because they have worried. The tense

concentration, the tremendous responsibility, the uncertain outlook have all made a frightful drain on the physical and mental resources of men of large affairs.

Next comes the dread disease of cancer, which shows an increase in ratio for this year. Circulatory diseases other than heart diseases also show an increase. Accidental deaths continue to mount upward. These figures demonstrate the need of adequate life insurance protection.

Sticking to One's Business

E. W. KELLY of Bristol, Va., in his presidential address before the VIRGINIA ASSOCIATION OF INSURANCE AGENTS, took an optimistic view of the economic situation, saying that one of the biggest lessons that has been taught is the desirability of a man sticking to his own business, working harder at it and giving it his genuine attention. It is Mr. KELLY's view, when the readjustment has been completed, insurance will be on a firmer foundation than ever and the agents will see the way to a greater day.

As Mr. KELLY points out, insurance people have now ceased to follow false gods.

Probably one of the main features of the boom in which we were engulfed was the fact that people were forgetting their own special lines and were interested too much in the stock market. There was a constant outside stimulation. People were neglecting their accustomed duties and the real source of their income in order to try to get rich quick. When the crash came it came with a terrific thud.

PERSONAL SIDE OF BUSINESS

Charles W. Gold, president of the Pilot Life, has been spending several days in Birmingham with his daughter, Mrs. Albert Lee Smith, wife of the Jefferson Standard general agent for Alabama. On leaving Birmingham he went to Clemson College, where he addressed the summer school on farm loan appraisals.

John Newton Russell, agency adviser of the Pacific Mutual Life, returned last Saturday from a three weeks' trip to Honolulu on a visit to the agencies of the company in Hawaii.

Miss Nan Loughran, secretary to President Rupert F. Fry of the Old Line Life of America, Milwaukee, is spending a few weeks vacation at Egg Harbor in Door county, Wis., near Sturgeon Bay.

K. H. Mathus, editor of publications of the Connecticut Mutual Life, has been chosen as the chairman of the life group program session for the Insurance Advertising Conference convention at Toronto, Oct. 4-7. This chairmanship was held by Secretary Bert Mills of the Bankers Life of Iowa but he underwent a serious operation and will be away from his office for a number of weeks. Mr. Mathus has taken a lively interest in the conference.

G. H. Sturges of the Mutual Benefit Life's mathematical department is celebrating his 30 years of continuous service this month.

Angus Allmond, superintendent of agencies Reliance Life, who is in San Antonio seeking a manager for southwest Texas, visited Houston recently as a guest of J. H. Rose, manager Rose agency.

J. M. Maukert, for four years Annapolis, Md., manager of the Metropolitan Life, has retired after 27 years of service.

Adolph B. Myers, 55, agency development manager and head of life, accident and group departments in Syracuse, N. Y., for the Travelers since 1910, died Friday night after an illness of two weeks. Mr. Myers was widely acquainted throughout 13 counties of central New York, where he directed the activities of the Travelers.

Surprised, President John A. Reynolds of the Detroit Life, looked up from his desk recently to see the entire home office personnel file into his office. Mr. Howes, president of the Home Office Employees Association, called upon Vice-President H. L. Walker, who presented President Reynolds with \$123,750 in applications, which had been secured in his honor, directly through the efforts of the organization. The total insurance comprised both applications on the lives of the members of the association, as well as on outsiders.

President Reynolds accepted the scroll of participants in the movement, with a sincere talk in which he expressed his appreciation and thanks.

During the recent series of bank failures in the outlying districts of Chicago, the Washington Fidelity National of that city was successful in composing depositors of the Howard Avenue Trust & Savings Bank, a sound institution in which the Washington Fidelity National is interested, but which was subject to a run on the part of nervous depositors alarmed by bank closings in the neighborhood. The Washington Fidelity National occupies the same building as the Howard Avenue Trust & Savings Bank. The insurance company's employees are paid in checks on that bank and many of the employees have ac-

counts there. When the bank excitement started, the Washington Fidelity National printed a circular to employees declaring that the insurance company would guarantee every cent of deposits of its employees in the bank. Copies of that circular soon came into evidence on the banking floor to be seen by other customers of the bank, who were immediately relieved of their nervousness because of this guarantee, feeling that if an insurance company with such a large stake in the bank had confidence in the institution, they had no cause for alarm. The run was stopped shortly and the bank soon was on a normal routine.

H. H. McBratney, Maryland general agent State Mutual Life of Worcester, Mass., has returned to Baltimore from a combined pleasure and business trip in Alabama, Indiana, Kentucky and Tennessee.

C. C. Clabaugh, supervisor of agencies Maryland Life, has returned to Baltimore from a month's trip in the south, during which he visited a number of agencies.

As a token of esteem and in appreciation of her services as president during the past year, Miss Marion H. McClench, agent at Ann Arbor, Mich., for the Massachusetts Mutual and daughter of a former president of the company, was presented an engraved wrist watch at the biennial convention of the National Federation of Business & Professional Women's Clubs in Richmond. She was nominated for reelection as president but declined the office.

Angus O. Swink, president of the Atlantic Life, is spending his vacation with his family at Atlantic City. W. M. Morris, vice-president, left on vacation for Kennebunk Beach, Me. W. H. Harrison, vice-president and superintendent of agencies, is vacationing in the mountains of western North Carolina. Dr. F. P. Righter, medical director, has returned from vacation at Nantucket, and R. G. Richards, agency secretary, from vacation in Boston, his old home town.

L. O. Schriver, general agent of the Aetna Life at Peoria, Ill., who is being put forward by the Peoria Life Underwriters Association as a candidate for fourth vice-president of the National association, is a forceful and nationally known speaker. He won the central region award from his company last year as the result of a production increase of 10 percent.

R. L. Simmons, formerly assistant secretary American Reserve, has joined the Newark agency of the Equitable Life of New York.

S. M. Babbitt, president Great American Life of Hutchinson, Kansas, has returned to his desk after an absence of some days. He recently underwent an operation for the removal of his tonsils.

Leonard Ellsworth, general agent of the Provident Mutual at Rockford, Ill., has just returned from a vacation in the north woods.

F. J. Budinger, Chicago general agent of the Franklin Life, has gone to the Los Angeles convention of his company, which will be attended by 80 of its leading producers. The company recently entered California and this is the farthest meeting from the home office that will have been held. The convention started Wednesday.

The Equitable Life of New York has appointed A. S. Croom as district manager at Enid, Okla., succeeding B. D. H. Powell, who will devote his time to personal production.

LIFE AGENCY CHANGES

Brown Is Syracuse Partner

Joins O. B. Herrick in the Syracuse Agency Going from Stamford, Conn. Office

The O. B. Herrick general agency of the Aetna Life in Syracuse is to become the partner of Herrick & Brown, general agents, according to an announcement by Vice President K. A. Luther.

John K. Brown, the new man in the organization, has been the Aetna Life's assistant general agent in Stamford, Conn., and has been associated with the Aetna Life since 1924. He is a graduate of Amherst College, class of 1919, and had two years of law training at Harvard. Leaving school in 1921, he immediately entered insurance. His first connection was with the group department of a company. He remained there until 1923 when he became associated with the Metropolitan Life as an agent. A year and a half later he joined the Aetna Life with its Brooklyn agency, as an agent. He was made an agency supervisor there in October, 1927. A year later he was transferred to the New Haven agency to open a branch office at Stamford. He did extraordinarily well as a result of which he was made an assistant general agent a year later.

Mr. Herrick has been identified with the Aetna Life at Syracuse since 1915. He became general agent there in 1919.

Two Sons Now Follow Their Fathers in Life Insurance

C. J. Cray and W. G. Preston, sons of two general agents for Northwestern National Life of Minneapolis, have followed in the father's footsteps by signing agent's contracts with that company. Mr. Cray, son of A. W. Cray, Fargo, N. D., is to work as a full-time agent under his father. For the past two years he has been connected with the Office Specialties Co. of Jamestown, N. D., but through his father's influence and the bright prospects in insurance, was led to enter the underwriting field. The A. W. Cray agency is one of the oldest of the Northwestern National Life and has always been one of its leading agencies, through which Northwestern National has been able to place a large amount of business in North Dakota.

Mr. Preston, son of W. F. Preston, general agent at Great Falls, Mont., has signed only a part-time contract for the present. He is a student at the University of Washington and plans to sell insurance during the summer and spare time.

Beaty-Hanna

The Occidental Life announces the formation of the Beaty-Hanna general agency in Los Angeles with offices at 1102 Broadway Arcade building. This new agency will handle life business and also act as joint managers of the company's thrift department. The firm is composed of F. E. Beaty, formerly manager central division at Denver, and G. R. Hanna.

E. W. Albachten, R. H. Ford

E. W. Albachten, formerly home office agency manager at Louisville for the Inter Southern, has become general agent at Louisville for the Pacific Mutual, succeeding R. H. Ford, who has gone into personal production. Mr. Albachten went with the Inter Southern nearly five years ago, having previously been with the Missouri State Life, and at Duluth for the Continental of St. Louis. Three of his brothers are also in the business, R. J. being with Inter

Southern, H. A. is district manager at Duluth for the Mutual Benefit, while Ed Albachten is associated with H. A. at Duluth.

O. C. Anthony

The Occidental Life has appointed O. C. Anthony manager at San Diego in charge of Imperial and San Diego counties, succeeding R. W. Wilson, who was recently transferred to Denver as central division manager. Mr. Anthony is from Iowa where he had over 10 years' experience with middle west companies as a general agent and supervisor.

B. M. Lipetz

B. M. Lipetz has been appointed manager of the North Hudson, N. J., district of the Colonial Life. He has been with the company about eight months, starting as an agent. Three months later he was made assistant manager. He has made a success from the start.

Roy Zimdars, Ralph Smith

C. T. Vermillion, Milwaukee, manager Mutual Life of New York, has appointed Ray Zimdars, district manager at Green Bay, Wis., succeeding J. A. Diefenbach, who was recently named manager at Davenport, Ia. Ralph Smith is appointed district manager for the territory in and around Peshtigo, Wis. Mr. Smith in March was leader in number of lives and volume of paid for business in the entire country for the Mutual Life.

N. T. Jones

N. T. Jones, Inavale, Neb., who was with the Farmers Life 11 years prior to the purchase of that company by the Pacific States Life, has become connected with the Capitol Life as general agent for southwestern Nebraska.

J. R. Fletcher

J. R. Fletcher, for 15 years general agent Provident Life & Accident at San Antonio, has joined Fletcher, Evans & Company as general agent United Fidelity Life with offices in the Western National building.

C. C. Adams

C. C. Adams has been appointed general agent at Birmingham, Ala., by the Atlantic Life, succeeding R. C. Quincy, resigned. Mr. Adams formerly was general agent there for the American Standard Life, and previously Birmingham manager for the Life & Casualty of Tennessee.

Gabe E. Parker

As an addition to its city sales force at Tulsa, Okla., the Atlas Life has formed the Gabe E. Parker agency, and its members are Gabe E. Parker and Gabe E. Parker, Jr., formerly with the Tulsa agency of the Pacific Mutual Life, and C. R. Taylor, until recently head of a Tulsa investment house.

L. W. Singer, Dan Biagini

Leo W. Singer and Dan Biagini have been appointed general agents for the Central Life of Illinois at La Salle, Ill. Their office is in room 212 La Salle State Bank building.

George I. Jenkins

George I. Jenkins of Fremont, Neb., has been made general agent of the Bankers Life of Lincoln to take charge of the Geneva, Neb., general agency owing to the resignation of General Agent C. F. Buehrer, who has been in ill health for a number of months. Mr. Buehrer signed a contract with the Bankers Life Nov. 24, 1911. He has been a good producer and an outstand-

» » » promising a LIMITED SERVICE CHARGE

THE cost of operation of a life insurance company may properly be regarded as a service charge—a fee for the services of expert management. The matter of what service charge is justified on the part of those who distribute the benefits of life insurance represents the big problem before life insurance company managements in the future. The insuring public is alive now as never before to the importance of quality management, and the company of the future will be that company which serves best, with all that word implies, for a reasonable management charge.

THESE facts were borne in mind when N^WNL's new **Guaranteed Premium Reduction** policies were designed. To purchasers of these contracts N^WNL has definitely promised that the charge for service shall be limited by the low premium, the sharp reduction in the premium after the first year being in effect a guaranteed dividend. They are further assured that the persistent policyholder will receive the fruits of his persistence in that the policy may be exchanged for a participating contract after the tenth year at the same low gross premium.

Some Premium Rates at Age 35

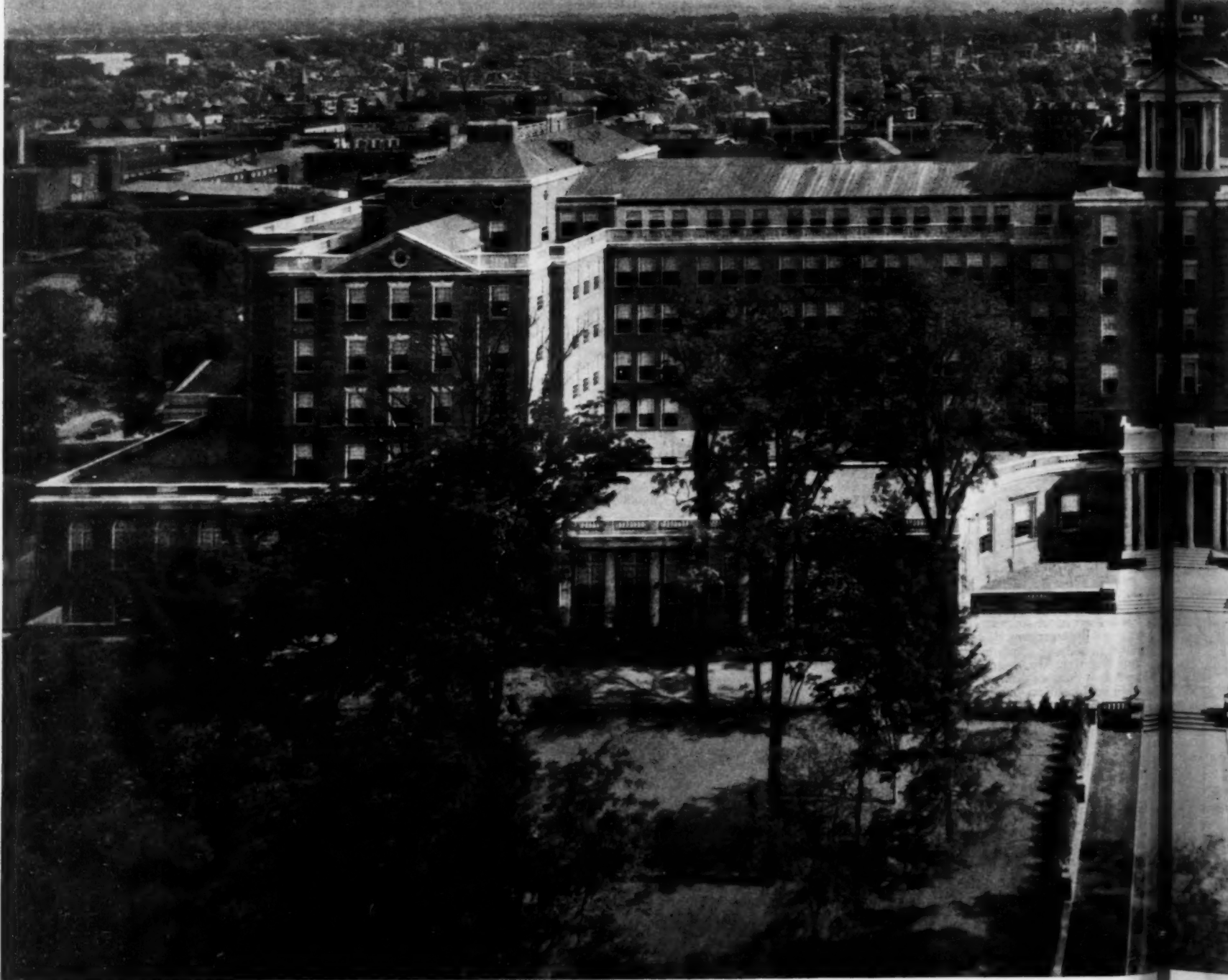
	First Year Premium	Premium for Second and Subsequent Years
Endowment at 85	\$25.65	\$20.75
Twenty Pay Life	34.73	29.18
Endowment at 65	33.26	28.06

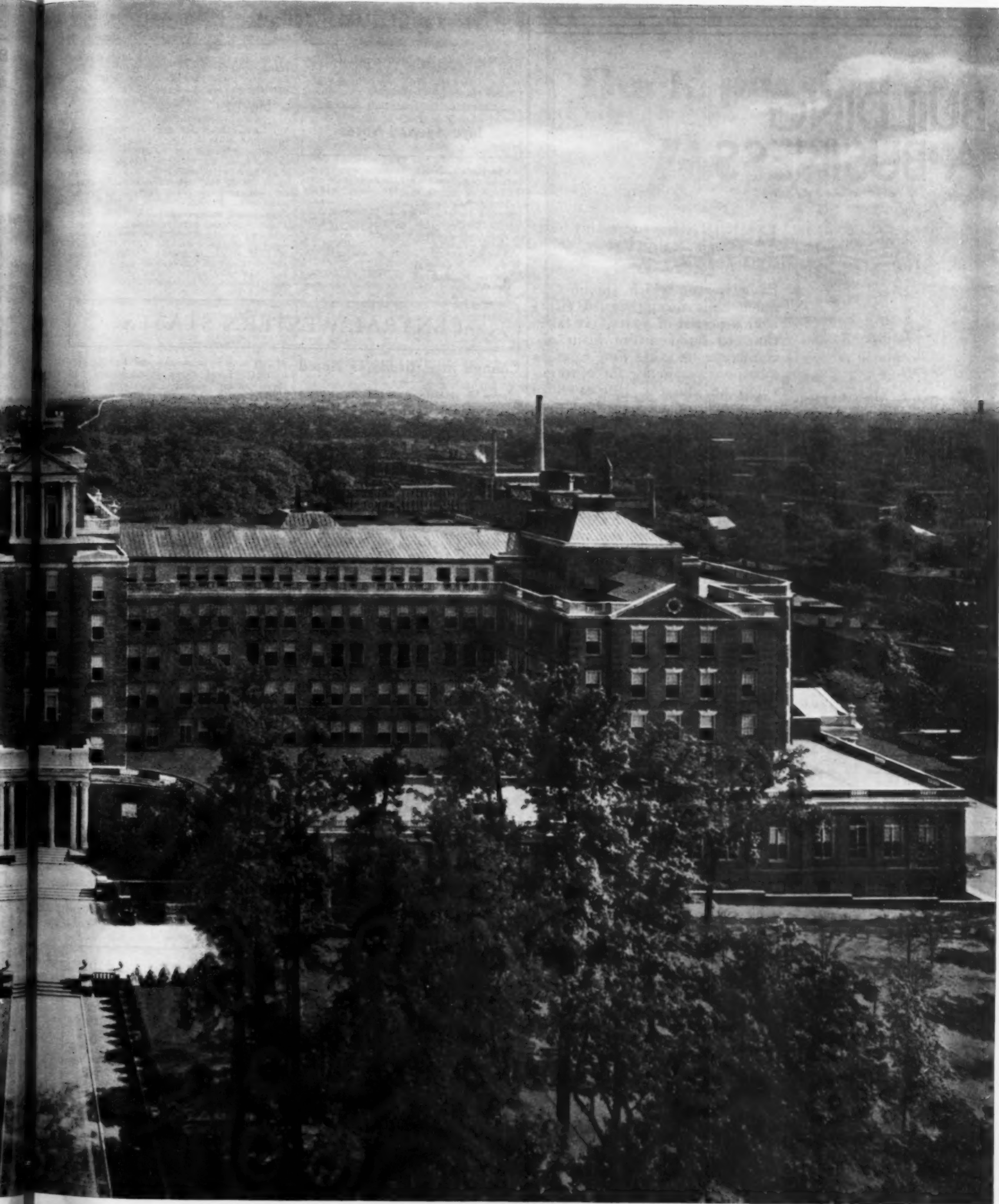
All Guaranteed Premium Reduction policies exchangeable for participating contracts after tenth year

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, PRESIDENT

STRONG ~ Minneapolis, Minn. ~ LIBERAL





BUILDING A BUSINESS

BUILDING a successful business is really a slow, deliberate process.

Every factor which amounts to much calls for unhurried effort over a period of years. It takes time to build a life insurance company. It takes time to train a responsive agency force, to develop an efficient Home Office personnel and to earn the "good will" of the buying public.

The Bankers Life has served its apprenticeship in the workshop of experience. It now has behind it the momentum of forty-four years of accumulated experience in meeting the problems incident to successful operation in the life insurance field.

Let us put our years of experience in training salesmen, in providing definite Home Office co-operation and in up-to-date advertising and publicity to work in building a General Agency for you. We need men over the age of twenty-eight who have had life insurance experience. Perhaps you need us.

Territory available in Illinois, Iowa, Missouri, Ohio and Pennsylvania. Write

A. B. Olson, Manager of Agencies

BANKERS LIFE INSURANCE COMPANY OF NEBRASKA

Founded in 1887

Home Office - Lincoln, Nebraska

ing manager. Mr. Jenkins has been an agent at Fremont under R. C. Harriss since June, 1927.

E. D. Wolfe

E. D. Wolfe has been appointed general agent of the Abraham Lincoln Life at La Salle, Ill., with office in the McClellan building.

Life Agency Notes

Charles Crady has been appointed Atlas Life general agent at Fort Worth, Tex., with offices at 1828 Fair building.

The Brooklyn National Life has been licensed in Ohio with J. L. Burns, 1503 Carew building, Cincinnati, state agent.

The United Life of Salina, Kan., has opened a district office in Wichita at 210 National Savings building, with G. W. Wrenn as manager.

Pierce E. Madden has been appointed state manager in Kentucky for the Peo-

ples Life of Frankfort, Ind. He has had a number of years experience.

J. P. Sheeran, assistant superintendent Passaic district of the Prudential, has been promoted to superintendent of the Orange district.

The Maryland Life has appointed C. D. Haug general agent for Williamsport, Pa., territory. He has been with the Prudential.

The Great Republic Life has appointed R. E. Price general agent at Stockton, Cal., with headquarters in the Belden building. Mr. Price was formerly with the Penn Mutual Life.

Grace & Elten become district agents at La Salle, Ill., for the Provident Mutual Life with offices in 219 La Salle State Bank building, under supervision of Leonard Ellsworth, general agent at Rockford.

Shepherd Garretson, formerly with the Fidelity Mutual Life, has been appointed a district manager under the Chicago agency of the Franklin Life, of which F. J. Budinger is manager. Mr. Garretson is the third supervisor appointed by the Budinger agency and will build a unit to produce \$1,000,000 a year.

CENTRAL WESTERN STATES

Change in Attitude Is Noted

Glover S. Hastings Made Some Observations at the Decatur, Ill., General Agency Conference

Superintendent of Agents G. S. Hastings in visiting the Decatur, Ill., agency of the New England Mutual, of which E. M. Spence is general agent, said that one of the outstanding facts of the past 30 years is the change in public attitude toward life insurance buying and toward those who sell it. The amount of insurance in force Jan. 1 was \$125,000,000, about one-third of all the tangible property in the country. He said that no other organized institution for the conservation and distribution of wealth surpasses life insurance in its contribution to civilization. The New England Mutual, he said, had a 20 percent increase in May. During the first five months the Decatur general agency has shown the largest percentage of gain of any of the New England Mutual agencies. He paid high tribute to General Agent Spence and his associates.

Concentrates His Effort on More Restricted Field

V. J. Harrold of Ft. Wayne, formerly Indiana state manager of the Lincoln National Life, has asked that his territory be decreased in order that he can concentrate more effectively. Therefore, he is given the northern part of the state. He reported after a year's experience in handling the entire state it was his conviction that he could build a larger agency force and develop a greater volume of business from northern Indiana alone. It would constitute a more closely knit and more efficient sales organization.

Great Northern Men at Wausau

Forty-five district agents of the Great Northern Life met at Wausau, Wis., for a conference on insurance education and sales promotion. H. G. Royer, president; John A. Sullivan, vice-president, and E. P. Oertel, assistant to the vice-president, all of Chicago, were on the program. Local arrangements were in charge of M. M. Scholfield. The Great Northern was organized in Wausau in 1909.

DeLapp Contest Winner

A. A. DeLapp was first and Fred Hartman, second, in a five weeks' production contest in the M. A. Zitzmann agency of the Missouri State Life in Chicago. During the contest period the agency wrote \$530,000 in life insurance;

\$2,500 in new accident and health premiums; closed three group cases and three salary savings franchises. The contest was concluded with a reception in the office of the agency for members and their ladies.

Will Build Illinois Plant

The National Old Line Life of Little Rock, Ark., which took over the Eagle National of Decatur, Ill., will build an agency organization in the state. There will probably be a state manager appointed.

Cummings Agents Hold Outing

Forty members of the T. H. Cummings general agency of the Northwestern National Life in Detroit attended the annual outing and sales convention at Menonaqua Beach, near Petoskey, for four days of last week. W. F. Grantges, agency director, and E. P. Balkema, educational director, from the home office attended.

Warner on Radio Friday

Superintendent Warner of Ohio will speak over Station WAIO, Columbus Friday evening at seven. Mr. Warner's address will be of great interest to the people of Ohio and especially to all representatives of insurance companies. He is expected to say something about dealing with companies unauthorized to do business in the state.

Honor C. F. McManis

A score of office employees and agents of the Western & Southern Life honored C. F. McManis, superintendent of the Joliet district, at a farewell dinner prior to his departure to the Indianapolis office to which he was transferred. C. V. Chesseri, his successor in the local office, and W. R. Scace, Cincinnati, company auditor, were among the guests.

Borrows a Match—Sells Him a \$1,000 Life Policy

MONTREAL, July 23.—A young man stopped L. Weintraub of the Canada Life on the street here and asked him for a match. The match was produced and before the conversation ended, Mr. Weintraub had sold the young man a policy for \$1,000, taking his application and check in settlement of the first premium. The assured is 21 and this is the first insurance he has bought.

IN THE MISSOURI VALLEY

Decides Against Modern Life

Minnesota Supreme Court Rules Kay Todd Protected by Statute of Limitations

Kay Todd, former vice-president and general counsel Modern Life of St. Paul, has gained something of a victory before the Minnesota supreme court in an action brought against him by the Modern Life seeking recovery of money paid to Todd under questioned contracts. The Minnesota supreme court, by overruling the demurrer of the Modern Life, upheld Todd's defense that the statute of limitations applied.

The complaint of the Modern Life is based upon three contracts, showing an arrangement whereby four of the then six directors of the Modern Life contracted to put all its business in charge of Cone and Abels, two of the directors, as general agents, their commissions to be shared by Todd and another director.

General Agency Contract

The Modern Life complaint sets up that Todd, representing the Modern Life as its legal adviser, negotiated the general agency contract. His advice is alleged to have been erroneously and wrongfully given, and that the Modern Life relied and acted upon that advice in making the large payments consequent upon its being followed.

The Modern Life and Todd in 1924 entered into a so-called commutation agreement. Todd relied in his defense pretty largely upon this agreement, maintaining that on all payments before Oct. 14, 1924, the statute of limitations applied. The argument for the Modern Life treated the action as sounding in fraud and the Modern Life demurred to Todd's answer.

The complaint does not claim, expressly or by implication, according to the court, that the fraud, if any, was not discovered until within six years of the commencement of the action. The statute runs only from discovery of the fraud or from the time it ought to have been discovered.

Burden of Proof

The Minnesota supreme court held that the burden is on the Modern Life to allege and prove that it did not discover the facts constituting the fraud until within six years before the commencement of the action. Hence, as to payments before Oct. 14, 1924, or whatever other date should be the determinative one, Todd's answer adequately pleads the statute as a defense. If the original arrangement was void as against public policy, it yet gave rise to a situation which, so far as now appears, would not be beyond solution by valid contract. The Modern Life, on its own theory, was the innocent one, and had claims against Todd susceptible of enforcement by action or discharge by a court in satisfaction or compromise. The new arrangement of 1924 is properly pleaded as the substitution of a new and valid contract by the preceding one said to be invalid. The new contract, according to the court, appears to be a defense. "How it will stand after the proof is in is another matter," the court declared.

Writes Good Single Premium

A number of agents are having good success in writing single premium policies these days because people realize the safety of life insurance as an investment. The other day an agent in the Wertheimer & Wertheimer general agency of the Travelers at St. Louis wrote a policy of this kind with a premium at \$118,000.

J. S. Winings, superintendent of agencies, Berkshire Life, was in Indianapolis last week.

Nebraska Production Is Off

Companies Domiciled at Lincoln Report 6 to 9 Percent Decrease—Agricultural Outlook Good

Life companies located in Lincoln, Neb., report an average decrease in business written during the first half of the year of from 6 to 9 percent, as compared with 1930, which was a year of unusual heavy production. Only one, the Security Mutual, wrote more than in the first six months of 1930, and its margin was but \$20,000. Lapses have been heavier with all companies, and in more than the usual number of cases were caused by heavy policy loans. Policy loans were also largely increased.

The low price of farm products has had the effect of darkening prospects for the last half of the year, although nearly every company executive reports that new business has held up beyond expectations, and that farmers are still buying insurance. Cattle feeding is widespread in Nebraska, and the fact that finished cattle prices have declined less than have prices of feedstuffs is giving farmers in this line of work satisfactory profits. Much of the new wheat is destined for this purpose.

St. Louis Agency Sets New Record

The St. Louis agency of the Equitable Life of New York set a new record in June with production of \$2,200,000, although the mercury was topping 100 degrees day after day. It was the greatest month in the agency's history. June marked the 22nd milestone of Manager M. A. Nelson with the Equitable and in his honor the agency forces put on the surprise campaign while he was away on a vacation. In the April campaign to honor President Parkinson the agency's previous production record was broken with \$2,177,000.

Vice-president W. W. Klingman and Superintendent of Agencies W. M. Rothaermel joined the St. Louis agency organization in honoring Manager Nelson at a dinner given last week to celebrate the agency's achievement.

Gifford Entertains Staff

Northeastern Iowa agents of the Central Life of Iowa were guests of E. L. Gifford, Dubuque general agent, at an outing and school of instruction, conducted by George T. Carlin, educational instructor. Dr. T. C. Denny, president, and P. H. Young, superintendent of agents, were guests from the home office.

Wilson Agency Meets

C. A. Wilson, Nebraska manager National Fidelity Life, celebrated his fifth anniversary of service with a two days' agency meeting at Lincoln this week. R. H. Rice, Jr., agency manager, and F. E. Young, actuary, from the home office, spoke. The agency increased production for the first half of the year over the first six months of 1930.

Getting Field Force Organized

Rees Wilkinson, who recently changed his automobile insurance company of Lincoln into a life company under the name of the National Old Line, is now getting his field force organized and expects to be actively producing in September or October. He was recently elected a director of the Lloyds Life of Kansas City.

The Income Life of Kentucky has reduced its capital stock from \$500,000 to \$250,000. No reason is given for the reduction further than \$500,000 is too large a working capital.

Buck passing is *Passe*

BUCK PASSING and reinstatement of lapsed business make poor roommates. Regardless of where we may lay the blame for terminations, the only way to bring dead policies back to life is through close cooperation between Home Office and Field. No Home Office can ignore the reinstatement problem, pass the buck to the Agency Force, and get results. Consequently, buck passing has become outmoded as companies lead the way in showing their representatives how business can be kept on the books . . . with mutual advantage to Agent and insured.

In The Union Central, for instance, a new and unusual plan for the reinstatement of policies lapsed in the last several years has been developed. Only a few weeks old, this service is gathering momentum rapidly. Policyholders welcome it eagerly. One says, "It is the most generous plan I have encountered in all my experience with Life Insurance Companies." Agents have found it an effective method of reclaiming commissions on business that has gone off the books.

This is one more field in which The Union Central is taking a vigorous lead in showing its Agents the road to larger incomes.

**THE UNION CENTRAL LIFE
INSURANCE COMPANY
OF CINCINNATI**

OVER ONE AND ONE-HALF BILLIONS IN FORCE



"THE FRIENDLY COMPANY"

LIFE UNDERWRITING

A tough job? Sure! But what a game! And what a thrill in making good when others are complaining and quitting. 1931 selling conditions need salesmen with courage, enthusiasm, and fighting spirit.

Do you have the qualifications of the real salesman? Do you want to win? Then hook up with the company who is willing to meet you more than half way in overcoming the hazards. In looking for such a connection you will find it pays to be friendly with the

PEOPLES LIFE INSURANCE CO.

"The Friendly Company"

FRANKFORT

INDIANA

An UNUSUAL Contract

will be offered to

An UNUSUAL Man

WHO

- | | | |
|--------------------------------|-------------------------|-------------------------------------|
| —is a producer | —needs no financing | —can organize |
| —is, of course, honest | —is seeking opportunity | —needs no drawing account or salary |
| —has three years of experience | —will WORK | —needs no office expense |

BUT

WHO will accept Home Office help in the appointment of new Agents under him for whom he will not be responsible financially and yet on whom he will receive overwriting Commissions as high as \$4 per thousand and long time Renewals.

THE COMPANY—is rated "A" by Best. Its rates for Insurance are extremely low

(Age 35 Ordinary Life Net Cost
First year per thousand \$17.85)

It writes all latest forms—Participating only—including an improved Family Income form; also Juvenile
Has over \$135,000,000 in force.

TERRITORY—The Company desires especially to develop Indiana, Illinois, North Carolina and Texas.

ASSISTANCE—Experienced field men to help the man selected to build a real agency in which the Renewals are NON-FORFEITABLE.

WE WANT
AN
UNUSUAL
MAN

UNLESS you have no present connection, or you have a real reason for leaving your present connection and are not at fault yourself, we are not interested. Write fully about yourself. We will not communicate with references until after interview. Write T-74, The National Underwriter.

IN THE SOUTH AND SOUTHWEST

Semi-Annual Premium Tax

Commissioner Lowry of Mississippi Explains Ruling of Attorney General on Law Passed in 1930

Premium taxes on all carriers operating in Mississippi must be paid semi-annually instead of annually because of an ambiguity in 1930, according to Commissioner Lowry, to prevent the possibility of penalties. This is in accordance with a decision by the attorney-general. Notices have been sent and Mr. Lowry has set Aug. 15 as the deadline, before which all remittances must reach him.

Commissioner Lowry has sent report blanks to be executed and returned to the department, together with the remittance, covering experience from Dec. 31, 1930, to June 30, 1931. He explains that because of the ambiguity of the 1930 law requiring companies to pay the tax on the annual basis, but providing no date for payment, he decided it would be best to make collection semi-annually as in the past, to avoid any possibility of a penalty being assessed in case the courts should rule in favor of semi-annual returns.

The commissioner says the courts have held that this is a privilege tax, and that all privilege taxes should be paid in advance, but he says there is a specific law providing that premium taxes and all other taxes payable at this time should be paid upon companies' experience, therefore the premium tax could not be payable in advance. This contention has been upheld by the attorney-general.

Mutual Life Club Meeting

Richmond Agency Gathering Elects G. C. Outland of Norfolk, President—Manager Love Talks

G. C. Outland, Norfolk district manager Mutual Life of New York, was elected president of the Virginia field club of the company's Richmond agency at the agency's annual conference in Richmond. J. R. C. Stephens, Wicomico, was elected vice-president and C. F. Jenness, Richmond, secretary-treasurer. The Wicomico division, J. R. C. Stephens, district manager, for the fourth successive year outstripped all other divisions in percentage of paid for business to quota.

S. B. Love, Virginia manager, said that life insurance is doing far more to relieve distress than impulsive gifts of charity. J. B. Hutcheson, Roanoke district manager, who has written a policy every week for 442 successive weeks, talked on "How and Where I Get My Prospects." R. B. Augustine, Richmond district manager, who has qualified twelve times for the "Big Club," stressed the importance of helping policyholders keep their insurance in force. R. M. Bidgood, service representative Richmond agency, told the conference agents must cooperate with the service department if best results are to be obtained in holding down lapses.

Discuss Oklahoma Problem

Representatives of eight life companies gathered in Chicago last week to consider the advisability of supporting a measure in Oklahoma to extend the present seven year period before escheat to ten years. A conclusion was not reached. Among those in attendance were Wendell P. Coler, secretary and actuary American Life Convention; William Brosmith, vice-president and general counsel Travelers; C. M. Benner, vice-president Continental American; R. D. Fletcher, treasurer United Life & Accident of New Hampshire;

Returns to Texas



FLOYD B. POWELL

Floyd B. Powell, well known life insurance executive in the south, is returning to Texas. He has opened an office in the Medical Life building at Dallas, having been appointed state manager of the Liberty Life of Topeka. The company has been in the state for nine years and has an agency plant already started. Mr. Powell has had an all-round life insurance experience. He owns his own home at Dallas. His oldest son will enter the Southern Methodist University there and later Baylor Medical College. Mr. Powell resigned some time ago as executive vice-president of the Southern Central Life of Meridian, Miss. He started his insurance career in 1903 as an agent for the Penn Mutual at Montgomery, Ala. He became Alabama state manager later for the Phoenix Mutual Life. He served as southwestern home office superintendent of agencies for the Central States Life of St. Louis at Dallas, then became executive vice-president of the American Standard Life of Birmingham.

H. B. Hill, president the Abraham Lincoln Life; W. O. Morris, secretary and actuary North American Life of Chicago; F. W. McAllister, Kansas City Life, and representatives of the Continental Assurance and Aetna Life.

Can Collect Premiums

FRANKFORT, KY., July 23.—The temporary order granted M. H. Dodson, Louisville, restraining Commissioner Allin from interfering with him in the collection of premiums for Our Home Life, was made permanent this week by Circuit Judge T. B. McGregor of this city. The company withdrew from the insurance field in Kentucky in 1930. It has more than \$1,500,000 insurance in force and M. H. Dodson has been collecting \$36,000 in premiums annually since the company's withdrawal. Mr. Allin insisted that Mr. Dodson pay a license for the company and Mr. Dodson brought suit to restrain him from applying the state penalty for a company collecting insurance without a state license.

Can't Foreclose Mortgages

The Citizens Life of Huntsville, Ala., now in receivership, cannot foreclose on mortgages given as stock subscriptions in the concern, according to a ruling of Judge Grubb last week in federal court. The ruling was in the case of F. N. Julian, receiver, against Virgil and

Lusilla Stewart, seeking to foreclose on a \$3,000 mortgage on real estate holdings. Similar suits filed by the company involve a sum of \$75,000 to \$100,000.

Massachusetts Mutual Meeting

BIRMINGHAM, ALA., July 23.—Prof. S. S. Huebner, University of Pennsylvania, directed a conference attended by about 125 agents of the Massachusetts Mutual Life here last week. Others on the program were: Wendell Thatcher, Chattanooga; Miss Mary Mendenhall, Atlanta; Joseph Montgomery, Mobile, and Henry Davis, Atlanta.

Jefferson Standard Officers Tour

H. T. Childre, Dallas, Jefferson Standard Life, supervisor of agencies west of the Mississippi, and R. C. Price, superintendent of agencies from the home office, have been touring Texas.

Oklahoma Agency Meets Oct. 9

Homer Jamison, Oklahoma manager for the Equitable Life of New York,

announced that a state agency convention will be held at Lake McAlester Oct. 9-10. Among the speakers will be W. W. Klingman, vice-president, and W. B. Rothaermel, Chicago, central district agency manager.

Douglas Agency Leads

The Texas agency of the Lincoln National Life, O. D. Douglas, manager, led the company's agencies in paid for business during the first six months of 1931. The agency paid for \$925,000 in June.

Jenness to Richmond

C. F. Jenness, formerly assistant cashier of the Richmond, Va., office of the Mutual Life of New York and later cashier of the Jacksonville, Fla., office, has returned to Richmond as a special representative of the company there. He will devote his time to production.

W. R. Wills, president, and W. H. Julian, vice-president, National Life & Accident, held a conference with southwest Texas agents in San Antonio.

PACIFIC COAST AND MOUNTAIN

Qualification Law Is Favored

C. W. Peterson Outlines Other Objectives for San Francisco Managers Association for Coming Year

SAN FRANCISCO, July 23.—Formal installation of officers and a review of the organization's activities the past year marked the annual meeting of the General Agents and Managers Association of San Francisco. New officers are: D. E. Mooney, Peoria Life, president; W. R. Spinney, vice-president, and Ray Orth, secretary.

Among objectives which the association should sponsor in the future, C. W. Peterson, retiring president, placed the need for a proper qualification of life insurance agents. He advised a measure similar to the agency qualification bill which was recently enacted through the efforts of the California Association of Insurance Agents.

Mr. Peterson also urged a closer cooperation of the organization with the local life underwriters association. He touched briefly upon a national association of life managers, and said that if such a group came to pass, the local body would lend it every support. Plans for a life insurance week in San Francisco this fall were outlined. Mrs. W. S. Pritchard of the National Association of Life Underwriters is to be one of the principal speakers. She will address the women's clubs, stressing the need for life insurance.

Ben F. Shapiro, recently elected president of the San Francisco Life Underwriters Association, asked for the cooperation of the life managers to help make the year a bright spot in the history of the association.

Union States Life Attorneys

It was stated in a recent issue that Mr. Coshov is counsel for the Union States Life of Portland, Ore. President W. E. Hibbard states that Mr. Coshov organized the Empire Holding Corporation and is no longer connected with the Union States Life. Sidney Graham and J. O. Stearns are attorneys for the Union States Life. Mr. Graham is attorney for the Oregon Bankers Association.

Developing Oregon Business

C. E. Moore, who has become agency supervisor of the Occidental Life of Los Angeles with headquarters at Portland, Ore., is working with Manager Ben Wood in developing the territory there. He was formerly secretary of the American Life & Accident at Portland, which was taken over by the Union Pacific Life and both companies later

In New Post



F. W. RENWORTH

The Great West Life of Winnipeg has completed arrangements for Washington state. F. W. Renworth, formerly district manager for British Columbia, becomes Washington manager. He started with the Great West Life in Vancouver in 1914. He resigned in 1917 to go with another company and later returned to the Great West Life as manager at Vancouver. The Great West, in addition to Washington, is now operating in North Dakota, Minnesota, Illinois and Michigan in the United States.

The Great West Life will establish other offices throughout the state as soon as possible. Mr. Renworth spent a week at the home office in consultation with Assistant General Manager H. M. Manning.

were reinsured by the Occidental. He is a native of South Dakota.

Conference in Denver

A regional conference of Mutual Life of New York fieldmen was held in Denver Saturday with O. C. Watson, manager for Colorado and Wyoming presiding.

J. M. Manley of Cincinnati is elected to the board of the Detroit Life. He is prominent in legal and industrial circles in the middle west. He is at present secretary of the National Metal Trades Association of Cincinnati, O.

Unlimited Opportunities

You will like our liberal first-year and renewal commission contract direct with the home office. It gives you the right to sell men, women, and children real protection on a low-cost participating or non-participating basis.

Just glance over this list:

Family Income Policies	Monthly Premium Policies for Women	Age Limits: 1 Day to 65 Years
Participating	Child's Educational	Modified Life
Non-Participating	Juvenile Policies	Low Cost Term
Sub-Standard	6% Guaranteed Income	Double Indemnity
Preferred Risk	Life Income	Disability Income
Pay-Roll Deduction		Premium Waiver
		Retirement Income

ASK FOR FURTHER INFORMATION



Home Office

JEFFERSON STANDARD LIFE INSURANCE COMPANY

JULIAN PRICE, President

Greensboro, North Carolina

MORE THAN 370 MILLIONS IN FORCE

Majestic Economic Eminence

Life Insurance is proud of its economic eminence, and of its majestic importance in the financial fabric of the nation, and of its mighty social beneficence. It is proud, also, of the accomplishments of the long line of able executives and actuaries who have been an honor to the institution, and of the Grand Army of men and women of the Field whose ability, industry, and intelligence have made of Americans the greatest life insurers in the whole wide world.

Stupendous though the figures of American life insurance now are, the best is yet to be. Closer and still closer to the present varied needs of the public will life insurance advance, and as new needs arise, in the evolution of our national life, they will be met with the amplitude of resource of Product, Service, and Salesmanship which is at the command of this noblest of all businesses.

THE PENN MUTUAL LIFE INSURANCE CO. PHILADELPHIA

WM. A. LAW, President

Independence Square

Founded 1847

No. 7 of

ATLANTIC ADVANTAGES

Atlantic underwriters profit from the full support and cordial co-operation of executives who themselves have been successful general agents.

ATLANTIC LIFE INSURANCE CO.

Richmond, Virginia

Angus O. Swink, President

Wm. H. Harrison, Vice Pres. & Supt. of Agencies

Honestly, It's the Best Policy

Dependable



Writing all standard forms of participating and non-participating insurance contracts. Liberal and profitable contracts offered dependable men who desire success.

S. M. Cross, President

COLUMBIA LIFE INSURANCE COMPANY

Cincinnati, Ohio

Desirable territory open in Ohio, Indiana and Kentucky.

ACCIDENT AND HEALTH FIELD

Company Verdict Upheld

Nebraska Supreme Court Decides Case Where Liability Was Denied Because of Suicide

The Nebraska supreme court in Sawyer vs. Mutual Benefit Health & Accident takes up a suicide case. The company admitted death of the insured, but denied that it was caused by accidental means. The trial court sustained a motion to direct a verdict for the company. Some time previous to his death the assured learned from a physician that he had high blood pressure. The assured and his wife went 20 miles away to consult his family physician. A year or two previous a gun had been purchased as the assured carried considerable money with him and it was placed in the pocket of the car. Arrangements were being made for the trip to the doctor. The husband entered the garage and the wife went to her daughter's home for a few minutes. In ten minutes she came back and found her husband dead with a bullet hole through his head.

It was held that some courts have decided that the presumption of death

by suicide amounts to evidence. The Nebraska supreme court says the question here is whether the circumstances produced on behalf of the plaintiff are such as to overcome or remove the presumption. The absence of powder burns would indicate that the pistol was held either at a considerable distance from the insured's head or so close as to prevent any powder burns. The small space between the wall of the garage and the car indicates that the pistol could not have been fired from any considerable distance. Therefore in order to have no powder burns, it is probable that the gun was held against the insured's head. There is no evidence to show that there was any other person than the insured present. Under all circumstances accidental discharge of pistol is not a reasonable deduction. The court holds that the verdict directed for the company was proper.

Rogers Made Claim Manager

The American Bankers has appointed E. A. Rogers manager of the claim department to fill a vacancy created by the recent resignation of J. N. Trumble. Mr. Rogers was formerly a claim adjuster for the Continental Casualty.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature. Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and April respectively. PRICE, \$4.00 and \$2.00 respectively.

New Policy Is Announced

Franklin Life Issues the "Economist" Form and Explains Its Main Features

The Franklin Life is announcing a new policy called the "Economist," which is a modified life policy. It is a whole life policy based on the life expectancy term contract but providing for automatic continuation on the whole life plan at increased premium rates two years before the end of the normal expectancy of life. This may be exchanged for life or endowment policies at the attained age or as of the original age of issue without evidence of the insurability at any time before the automatic provision goes into effect.

Readjustments of the economist policy may be made without evidence of the insurability before the automatic provision goes into effect. It provides for a reduced amount of insurance on the whole life plan at the original premium rate or the original amount of protection on the whole life plan at a rate lower than the attained age rate with adjustment to complete the exchange. It also provides for the privilege of depositing money in excess of the premium.

Pages Were Transposed

Rate pages for the Continental Assurance (page 340) and Equitable Life, New York (page 371) became transposed in the printing of the 1931 Unique Manual-Digest. Corrected pages are now being sent to users of the Unique Manual-Digest to be pasted in their proper places. If subscribers have a copy of the 1931 book and do not receive these new pages within the next week or so address The National Underwriter, 420 East 4th street, Cincinnati, O.

Sentinel Life

The Sentinel Life announces a retirement annuity which will receive excess interest dividends (earnings above 4 percent) during the premium paying period. The annual premium for all ages is \$100, the amount of income de-

pending upon age at issue and age when income begins. For example a \$100 premium unit issued at age 35 will provide \$10 monthly life income beginning at age 50; \$16.23 beginning at age 55; \$25.04 beginning at age 60; \$37.67 beginning at age 65. Death benefit and cash value are the same and are in excess of premiums paid after the 6th year. Income payments are guaranteed to be at least equal to the cash value at maturity.

ASSOCIATIONS

Virginia—The Norfolk-Portsmouth association has been formed, with G. C. Outland, Norfolk, district manager Mutual Life of New York, as president. It is a non-stock corporation.

Marshalltown, Ia.—F. A. Moscrip, editor Marshalltown "Times-Republican," was guest speaker at the luncheon meeting of the Marshalltown association.

Muscatine, Ia.—The Muscatine association's July meeting was in form of a picnic at Wildcat Den state park.

Chicago—Members of the better business practices committee of the Chicago association were tendered a complimentary luncheon at the Midland Club by Walt Tower, the new chairman. Several cases in the committee's hands were discussed and it was agreed to continue energetically the efforts against unethical practices. It was the sense of the meeting that if a few flagrant cases are pushed to successful conclusion, conditions in Chicago can be cleaned up to a large extent. Members of the committee attending the luncheon were, beside Mr. Tower, T. F. Lawrence, Reliance Life; N. H. Bokum, Massachusetts Mutual; Jack Windsor, Equitable of New York; Walter Hiller, Stumes & Loeb, Penn Mutual; J. F. Oates, Hobart & Oates, Northwestern Mutual, and Mr. Hughes of the same agency.

Nashville—The Nashville association at its July meeting, endorsed C. V. Anderson, Provident Mutual at Cincinnati, for president of the National Association of Life Underwriters. A. W. Litz, manager Great Southern Life, was elected chairman of the managers and general agents' group.

Voice From the Field on Disability

(CONTINUED FROM PAGE 4)

just enough individuals whom I know on the 'receiving end' of a disability income to make me realize that it is a very much worth-while feature. The only 'grief' which has caused dissatisfaction or lack of understanding with policyholders has originated with policies whose disability clauses either lacked adequate definition or were so strict as to make the payment of an average claim almost impossible.

Experience in Field

"I will admit that my entire experience with disability has been in the field, and I have been in the life game only a little more than three years, but I do feel it would be a big step backwards to abolish the disability income feature. "May I ask whether the question is not one of selection? Is it not true that all companies have not been losing

money on disability, and that those companies which have been losing could probably have avoided some of their losses through more careful selection at the source?"

"To be sure, the question is an actuarial one and not to be decided from the field man's viewpoint. But if the actuarial forces of our American legal reserve companies hear only one side of the question advanced and discussed in the insurance press, their decision may be affected unduly in that they might be led to feel that the field forces are not interested in disability anyway.

"After all, life insurance still has to be sold, you know, and I, for one, would like to see the disability income feature maintained as a part of the stock in trade of the life underwriter—even if the rates have to be modified in order to do so."

Security Question Proves an Enigma

(CONTINUED FROM PAGE 2)

serious. The blame is placed rather at the door of Washington politics, and it is the opinion of insurance officials that the situation is similar to that which recently affected railroads. Given time, it will take care of itself.

Life companies are not now paying much attention to bank stocks, although a small amount of trust company stocks is being picked up.

Have Faith in Railroads

So it seems that aside from farm mortgages and some utility stocks, life companies are strongly in favor of railroad bonds and feel that as soon as industry begins producing tonnage again the rails will get their full share of it.

It is pointed out that the same division of tonnage existed during the last of 1929 and 1930 but that it was not noticeable because the public was boosting the roads at that time. A little faith in railroad bonds now and increased freight rates, investment men feel, will make this investment one of the best bets for the next few years.

Methods Companies Use in Supervising Farms

(CONTINUED FROM PAGE 3)

unwilling to take the risk of meeting fixed and regular payments, is willing to take over the farm if the seller is willing to take repayment of the loan as the money actually becomes available. This type of contract cannot be used at all where crops are various and numerous. It is too difficult to supervise and check returns.

When the original borrower cannot be financially saved and the farm cannot be sold, the real farm management problem of the insurance company begins. In most cases, the borrower who has been unable to meet his payments, remains on the farm as a tenant. He is usually glad to stay. The original investigation, made when the loan was granted, has correctly disclosed that the man is honest, industrious and of good character. His failure may have been due to poor management but it is usually difficult in these cases to replace him with better.

Supervision of Farm Activities by the Company

One type of farm management does not involve direct, resident, personal and constant supervision. Daily routine duties and much of the minor management are left in the hands of the tenant. But close supervision on part of some companies begins at the time when the lease is made. The lease may specify in what crops, various fields on the farm are to

be planted. Then the financial correspondent or his representative sends in to the home office a spring crop report and a fall crop report. The spring crop report under the heading "Acreage now planted in each of the following," lists the number of acres being used for the production of each individual farm product such as wheat, oats, corn, etc. A second column gives the "Total acreage that will be planted in each this year" by divisions according to crop, and in a third column, for each crop the question must be answered, "On what date, approximately, will the crop be harvested?" In the fall, a fall crop report details the number of acres of each crop harvested, the total yield for each crop in tons, bushels, bales or pounds; the estimated value for each crop with information of approximate date each crop will be sold. Like information must be returned in the fall for each crop not harvested when the fall crop report is made. Naturally the yield will have to be estimated.

Financial Correspondent Held Responsible for Farms

While the company calls for a spring report and a fall report only, in detailed and special form, the financial correspondent is responsible for maintaining a close contact with the farms in his territory, being operated under supervision of the company. The spring and fall crop reports are intended largely to place the financial correspondent and his assistants under closer supervision from the home office. Visits of company officials to the financial correspondents are also made frequently so that the central officials may be familiar in detail with the outlook in each separate section of the country.

Supervision to Guard Values Prime Requisite

Management in most cases has not gone much beyond that supervision which will carry out the primary necessity of the company, which is to safeguard its own values represented in the farm.

Life companies which had been buying mortgages through independent real estate companies and firms have had to improvise organizations to take care of their farm properties.

Many Industrial Companies

In a recent meeting of the Division A field forces of the Colonial Life at Lindenhurst, L. I., Supervisor of Agencies Griffith pointed out that there are 165 companies writing industrial insurance in this country. There are 50 leaders among them. He said that the men who are making regular calls in quest for new business, those that are punctual in keeping their collection appointments and never miss an opportunity to talk life insurance, are not much hurt by the depression.



Guarantee Living Expenses During Children's Dependency and Life Income for Wife

With the Connecticut General Family Income agreement attached to the Convertible to 65 contract you can provide at a rate the young man can pay \$100 a month from the death of the insured until the youngest child is twenty years old and thereafter a life income for the mother. For outline and rates call our local office or write

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In this eighty-seven year period, the Company has paid Policyholders \$380,264,807, which payments, plus present Assets, exceed the total of all Premiums by \$73,296,833. Of the amount paid to Policyholders, \$112,081,785 was Dividends.

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Northwestern in a Big Convention

(CONTINUED FROM PAGE 1)

he said. This part of the district agent's program is important.

"If you have men, part-time or full-time agents, who are slipping in their production, but who you think have potentialities as underwriters, don't think it is time wasted to work with them," he said. "There is no substitute for personal contacts. Letters are fine, calls are fine, bulletins are fine, but there is no real substitute for personal conference in bringing men into the insurance business, educating them in it, and keeping their interest in the business."

Parsons Gave a Talk

Agency Superintendent C. H. Parsons spoke briefly on the need for plans and business objectives, and the part district agents play in the Northwestern program. J. J. Hughes and U. H. Poin-dexter, assistant superintendents of agencies, were introduced.

Roger Clark, assistant superintendent of agencies, in describing the work of organizing a field for increased production, gave the plan used by the Charles Lamme district agency in Wyandotte and Johnson counties in Kansas. He told how Mr. Lamme used material available to all district agents, such as area, population, wealth, and insurance coverage in his territory, character of field and people with whom he has to work, religious bodies, purchasing power, farm values, manufacturing, products, etc., in judging the needs of his territory.

Mr. Lamme then studied the average insurance production in the last five years, and gauged the number of men in his agency organization accordingly. This plan provides for an ultimate organization which will make the most of the opportunities and already has proved successful.

Mr. Lamme, called on to comment, said that planning time ahead for the coming week, which is a part of his organization schedule, gives results. Planned time gives time for personal contact with agents, he pointed out.

Other Talks Made

R. E. Brooks of Princeton, Ill., briefly described his two-year experience with such a survey, and pointed out the material placed by the agency department in the hands of agents, to make them successful.

G. L. Anderson, assistant secretary, discussing office routine and describing company aids in this respect, asserted that this work is to relieve the agency head of details of the office chair to enable him to spend more time in the field. Men making successful work records, Mr. Anderson asserted, are directing their production forces from the field.

J. F. Oates, Chicago, discussed the Northwestern's program of visual education. A demonstration of this program followed, the agents giving a thorough discussion to methods of presenting it to agents.

W. J. Cunningham of Charleston, W. Va., was elected president of the District Agents Association. Hamilton Yancey, Jr., of Americus, Ga., was elected vice-president for the eastern zone. R. E. Brooks, Princeton, Ill., vice-president for the middle western zone, and J. H. Kemp of Wayne, Neb., for the western zone. V. C. Plummer of Rockford, Ill., was reelected secretary and treasurer.

The executive committee of the District Agents Association was elected as follows: for the eastern zone: John Harshparger of Huntington, Pa., and C. A. Phelps of New Berlin, N. Y.; for the middle western zone: R. L. Dillon of Lansing, Mich., and W. G. Batt of Richmond, Ind.; for the western zone: J. C. Richter of Council Bluffs, Ia., and C. M. Stiller of Wichita, Kan.

Opening the sessions Tuesday morning, H. N. Laffin, assistant secretary

of the company, told the agents that mental attitude consists not only in thinking that the world owes one a living, but that it also meant courage and enthusiasm in facing work and cognizance of the strength of one's adversaries and a realization of the problems and difficulties of work.

The Chartered Life Underwriters Association of the Northwestern Mutual Life met Tuesday afternoon for luncheon, with Ben S. McGiveran, general agent at Eau Claire, Wis., acting as chairman. This constantly growing group of agents discussed their life insurance experiences.

Annual Dinner Held

More than 1,000 attended the annual dinner of the Association of Agents Tuesday evening with C. H. Parsons, superintendent of agencies, acting as toastmaster. Dr. H. H. Crane, pastor of the Elm Park Methodist Episcopal Church at Scranton, Pa., was the principal speaker. He delivered an inspirational address on "Business Coming of Age."

Burnet, Woollen Present Criticism of Disability

(CONTINUED FROM PAGE 1)

themselves as well as on the policyholders. This has already happened in instances and, of course, we are only in the beginning of the experience.

Problem of Fraudulent Claims Is Most Serious

"To my mind, the question of fraudulent claims and the attendant questions surrounding the attempts on the part of the companies to meet them presents one of the most serious problems to us. This company is ready to join with the rest in abolishing income disability on any basis. We will even join with a substantial group and do it.

"I understand that there are a few officials who hold that if the companies do abandon income disability, they will go into it all the harder. I say, 'More power to these fellows.' In the first place, they will simply hang themselves; and, in the second place, I do not fear either their competition or their publicity, because I feel that the business is essentially so unsound that a few companies continuing to do it will be so open to criticism that it would be an easy matter to focus public opinion against them in an irresistible way."

Western Official in a Bitter Criticism

The remarks of the western official, who is opposed to the standard provision, follow:

"It is our opinion that there are no problems of disability insurance that cannot be solved by sound underwriting with adequate premiums and reserves.

"While knowledge of these factors today, or up to a year ago, may not have been wholly complete it has been far more extensive than the practice of many companies would indicate. The development of the benefit has been too rapid, far outstripping experience, yet liberalization of the benefit kept on increasing long after many danger signals were showing. The excuse for this has been that competitive conditions compelled companies to follow one another into such unsound practices, a dangerous, illogical doctrine which should not be admitted.

Is Opposed to Solution by Standard Provisions

"We are wholly opposed to the attempt at present being forced on the companies, largely through eastern influences and in many instances without authority of law, to find the solution to these troubles, which the companies themselves have created, through standard provisions.

"We do not like the presumption of permanency based on total disability of a specified duration. We believe this to be in large measure responsible for the high cost of the benefit. Certainly those

companies which do not want to grant such a benefit should not be forced to do so against their judgment by department ruling.

"We favor complete freedom of contract for the companies within the law. The evils that arise from unsound competitive practices are not so serious as those that arise from illegal department rulings.

Restricted and Limited Benefit Is Favored

"We believe in a quite restricted and limited benefit, such as may be granted for a comparatively nominal amount of premium and that as a consequence will be applied for and can be issued to a substantial proportion of applicants.

"May I add that it is my belief that THE NATIONAL UNDERWRITER can render a splendid service to the younger companies of the west in calling attention to the injustice that has been inflicted on these companies through the adoption of standard provisions at the Toronto convention of insurance commissioners by department rulings whether or not such rulings are authorized under the law.

"These standard provisions are the solution that the large eastern companies agreed upon as a cure for their self-inflicted troubles. They very skillfully forced these provisions on practically all companies and an advantage that lay within reach for the western companies was snatched away from them and, sad to relate, it was done with the cooperation of western commissioners. Ignorance and pride of authority were never more skillfully appealed to under the guise of sound and scientific practice than at the Toronto commissioners meeting."

John A. Stevenson's "Education and Philanthropy" explains the special advantages of life insurance as a means of creating funds for educational and philanthropic needs, and which sets forth in detail the various life insurance plans that are being used for this special purpose. Price, \$2.50. Order from The National Underwriter.



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550 ROOMS 550 BATHS

Axelson at Head



CHARLES F. AXELSON

C. F. Axelson, Chicago, was unanimously elected president of the Association of Agents of the Northwestern Mutual Life at the convention in Milwaukee this week. C. H. Poindexter of Kansas City, Kan., was elected vice-president, and G. H. Young, Milwaukee, was reelected secretary-treasurer.

Mr. Axelson has been in life insurance since 1910. He is active in civic affairs, being a director of the Midway State Bank and a member of the Chicago crime commission. He served as chairman of the University of Chicago Alumni association. He is a past president of the Chicago Life Underwriters Association. He is a member of many clubs and organizations.

Expects Business to Recover Soon

(CONTINUED FROM PAGE 1)

loans; and in amount only about 1/2 of 1 percent (.548 percent) of our total admitted assets.

"The average cost of such farms per acre was less than \$45, and the asset value less than \$38 per acre. The total interest on farm loans which was collected in 1930 was over 94 percent (94.38 percent) of the amount collectible; and of the total collectible interest in 1930 only 2.69 percent thereof remained unpaid on April 30, 1931."

Mr. Van Dyke paid tribute to J. I. D. Bristol of New York City, who recently, at the age of 87, resigned as general agent of the company in the metropolis after 50 years' service.

Mr. Van Dyke closed with the inspiring creed: "I believe in one God who directs our destinies; I believe in our country; I believe in our people; I believe in the Northwestern, and I welcome the future with confidence and unshaken faith."

To Sail Great Lakes

SPRINGFIELD, ILL., July 23.—Sixty agents and officials of the Abraham Lincoln Life will be guests of the company aboard a Great Lakes steamer for four days at the annual convention of the Rail Splitters Club, the agents' production organization. Plans for the event are in charge of O. F. Davis, assistant agency director. The group will meet in Chicago Aug. 5. Among the home office officials planning to attend are: H. B. Hill, president; A. L. Hereford, chairman of the board; F. M. Feffer, vice-president; W. A. Fairlie, manager of agency service, and H. J. McCauley and H. D. Davis, field supervisors.

Home office staff and employees held their annual picnic yesterday at Matanza beach, near Havana, Ill.

"Pulling Together"

The entire organization of the Gem City Life, the men on the firing line as well as the agency minded executives in the Home Office, has always had the reputation of "Pulling together." . . . There has always been harmony and cooperation. . . . This "pulling together" has produced nearly ten times as much insurance in force today, as it had ten years ago. . . . If you desire to get ahead by "pulling together" with us, write I. A. Morrisett, President, for complete information.

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AGENCY MANAGEMENT

Whatley Sees Move to Permanency As Term Contracts are Converted

The S. T. Whatley general agency for the Aetna Life in Chicago has converted more term insurance to a permanent basis in the first six months of 1931 than in any other similar period. Most of the converted business, according to Mr. Whatley, who is well known as a past president of the National Association of Life Underwriters, was in the nature of emergency contracts purchased in late 1929 and 1930 to cancel deficits in estates caused by the collapse in market values.

Mr. Whatley recognizes the virtue of term insurance under certain circumstances, indeed, appreciates that sometimes the sale of anything but term insurance is an imposition upon the policyholder and constitutes commission grabbing by the agent. For instance, he mentions the recent sale of a \$100,000 term policy. It was sold to a man who had pledged as collateral his share of a trust fund, which would be accruing to him in three years, but should he die before that time, it would go to others. The bank demanded security against the contingency of his death before the three years period, and, Mr. Whatley observed, term insurance was the proper and only form.

Term Insurance Usually Is Emergency Contract

But, Mr. Whatley says, term insurance is usually an emergency contract, generally justified at its inception, but a contract which should be converted to a permanent basis at the earliest opportunity.

Mr. Whatley always makes this statement when he closes the sale of a term policy:

"You understand that buying a term policy is a standing invitation for me to call on you again, because I will continue to call on you until you convert this insurance into a less expensive form."

The idea that term insurance is not cheap insurance but expensive protection is always emphasized and the policyholder is urged to make the change

as early as possible in order to save the expense of delaying.

Members of the Whatley agency are trained to call on every term policyholder on each anniversary. The skeleton of the argument which the agents are instructed to use on these occasions is: "You bought a term policy for a given temporary purpose. I assume that you will carry the contract on that basis until you can convert it to a less expensive form."

Gets Term Policy Data Before Its Anniversary

Every agent is given a record of his term policies 30 days before the anniversary. If the card is an orphan, that is, the agent who wrote the policy is no longer connected with the agency, it is turned over to another man, who is instructed to make the call. Less success is obtained under this method with brokers, because they are not under the thumb of the manager and can ignore the request to make the call at the anniversary, but a record of term policies is sent to the broker just as religiously as to the regular agent.

Mr. Whatley's theory is that probably it is idle to hope for much of an increase in production for some time, but that the insurance which is written will be on a more permanent basis through the conversion of emergency term policies and through a slower but more normal sale of regular insurance. He believes that now the tendency towards permanency is under way. Mr. Whatley believes that cause and effect can explain the cycle of life insurance sales during and following a depression. For instance, he points out, that when the full effect of the depression of 1920 was felt, life insurance sales were increasing, yet in 1921, when recovery set in, life insurance sales started on the down grade. Not until 1925 was what might be regarded as a satisfactory life insurance year reached. Mr. Whatley believes that the cycle of those years is in process of being repeated to a large extent.

Points Opportunities of Times

President Hall of the Lincoln National Life transmits a stirring message to field men concerning the advantages of selling insurance under present conditions.

"Again comes a pioneering era in America," he says. "Great fortunes are being founded today. New leaders are pushing their way ahead in business. Men with vision and courage and enterprise are taking advantage of the present situation to intrench themselves for the future, just as was done by other pioneers in other days of opportunity gone by.

Says Many Are Out of Step

"Many old leaders are out of step with the situation. Many old fortunes are halved and even worse. Many men of property, poorer than 18 months ago, have not the courage to wipe off the books their losses of 1929 and 1930 so as to begin again to build, but hold on vainly, hoping against hope that the past will be restored again.

"But the past is never restored. Since the day of Lot's wife it has not paid to look back. Progress lies in looking ahead. The depression put an end to

nominal leadership of many who were just coasting, depending on the momentum of past achievement of themselves or their fathers. He who coasts always ends up at the bottom; it is a law of gravity and of human history.

Opportunities Are Disguised

"But the stout-hearted have seen that the true values are with us still, that opportunities are not destroyed but merely disguised, and that the future offers more than ever to him who squares his shoulders, pitches in, and with the right mental attitude, plans and works his way.

"Likewise, life underwriters who look forward instead of back, who gird for new achievements instead of trying to coast on laurels and records of the past, who refuse to bewail and worry,—will win for themselves the substantial prizes of their profession. 1931 is a splendid time for the man who wants to work."

The All States Life of Montgomery, Ala., is entering Virginia.

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He sells something that everybody needs—the protection afforded by United Life policies which contain ALL IN ONE CONTRACT:

LIFE INSURANCE WITH DOUBLE AND TRIPLE INDEMNITY FOR ACCIDENTAL DEATH.

NON-CANCELLABLE, NON-PRO-RATEABLE WEEKLY ACCIDENT INDEMNITY.

WAIVER OF PREMIUMS AND MONTHLY INCOME FOR TOTAL AND PERMANENT DISABILITY.

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THE INCOME INDEMNITY CONTRACT—THE NEVER FAILING SUBSTITUTE FOR THE SALARY CHECK

His advice to ambitious agents is this: Get in touch immediately with

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Ordinary Life Insurance at An Average Cost GUARANTEED OF ONLY \$14.00 per \$1,000

ALL PREMIUMS RETURNED

in addition to face of policy in event death before age 60

FULL FACE THEREAFTER AND PREMIUM REDUCED 20%
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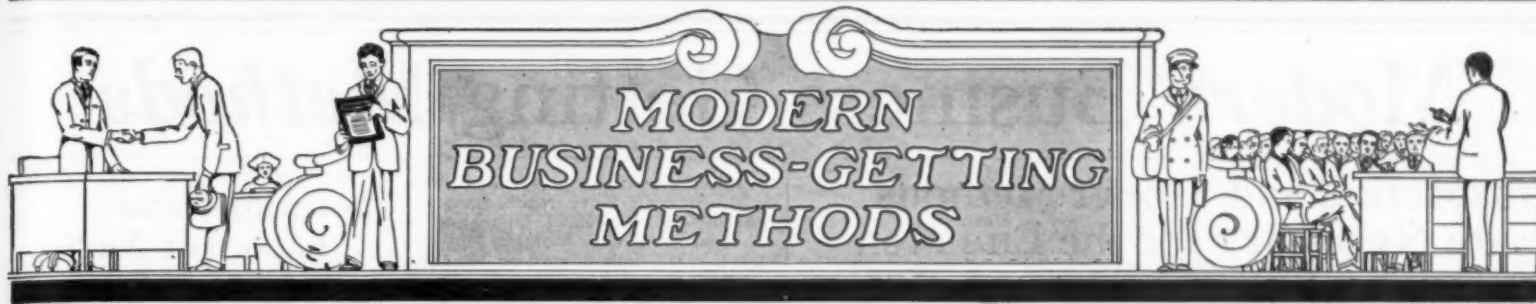
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Write for Sample and Particulars

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Notes of a Business Conference at Which Was Considered Plan for Protection of a Business

W. H. Conklin of the Cincinnati agency of the Mutual Benefit Life in the "Pelican" records the details of a conference between a business man, his banker and legal adviser. Mr. Conklin points out that it was prepared from notes taken by the banker's secretary, who was present. A is a business man, B the banker, and C the legal adviser. The record is as follows:

Mr. A—"Gentlemen, I requested this conference to discuss with you the tangible and intangible values of my business, as I desire your best recommendation as to what you consider it advisable for me to do to protect my business interests and the interests of those who are dependent upon my successful conduct of the business, as I represent their financial interests in the business organization of which I am the controlling factor.

Desires All Interests Properly Safeguarded

"Briefly, the situation is as follows: As you know, the business in which I am interested is principally under my direction and control—not only my own investment, but the investments of others who look to me for a successful administration of the business, and who are entirely dependent upon me and my administration for their income from the business, and the safeguarding and perpetuation of their investments. As you also know, the business over a period of years has been very successful. I fully realize, however, that should anything happen to me, my interests, and the interests of others for which I am responsible, would be left in a very unsatisfactory condition, as no one else will assume the management of and responsibility for these investments and carry out and improve the policies which I have developed and make the same profit return to the investors, without in time acquiring a desire for ownership and control. This would result in a sacrifice to the remaining investors, especially if my successor should have the ability to improve my policies and increase the profits, without being permitted to share largely in the profit return as a compensation for his services.

"I have therefore come to the conclusion that there must be a way provided so that, should I not be permitted to continue in control of these investments, not only my own investment would be conserved and payable in cash to my wife and children, but that all other interests which I represent and am responsible for, would be paid in cash to the present owners. With this promise in mind, I have, as I said in the beginning, requested this conference with you gentlemen for the purpose of having you help me determine what is necessary for me to do to make certain the interests of all principals."

Probate Court Records Reviewed for Experiences

Mr. C—"Mr. A, as your legal adviser, from my experience as an attorney representing partnerships, stock companies, and individuals in the settlement of business interests of deceased clients, it is

only necessary for me to refer briefly to probate court records and transcripts of settlements arranged for in my own office out of court, which resulted in the living principals of these estates suffering severe financial losses—in some cases, to my regret, an entire loss of property and business investments. These losses were caused by litigation, court costs, and depreciation in values in arranging for a sale of the property and investments to secure ready cash, and no amount of effort on my part enabled me to save to the principals any part of the estate or business that was rightfully due them. In my conferences and legal contact with executors and administrators they have furnished overwhelming evidence, conclusive in every detail, that if sufficient cash had been left in the estate to have taken care of the immediate current bills, living expenses, etc., over a period of time, the sacrifices and loss to the principals would have been avoided.

Trust Bond Recommended to Meet the Various Demands

"I have talked with other executors who have been able to furnish very satisfactory reports, which showed where the sum invested in property or business was properly protected by a trust bond of immediate cash value, at the decease of the principal, the estate, whether it be stocks and bonds, business investments, real estate, or other property, was handled and liquidated at approximately its cash value, and in some instances at a profit, and the principal sum in cash returned to the rightful owners without loss or depreciation.

"I know of no finer plan covering your situation than that of an insurance trust bond, payable immediately in cash, or returnable to the beneficiaries under trust agreement on a monthly income return of sufficient amount to cover their entire interests in your business investment, and sufficient for all of their living income requirements, providing for immediate cash for the payment of last expenses, permitting your business interests, and theirs, to be properly administered by a selected executor or trust officer, and sold at an opportune time without loss, and the proceeds returned in cash to the rightful owners without sacrifice or depreciation."

Mr. B—"Mr. A, as your banker and financial adviser, it has been my privi-

lege and pleasure to observe your business career, and to advise with you from time to time on matters of finance, and I say with no little pride that I believe many of my suggestions have been valuable. I have often wondered just what plan you had in mind for the safeguarding of your business investments, and those that are entrusted to your administration. I am glad, indeed, that you have requested this conference.

"I have listened to your explanation of your reasons for calling the meeting, and the explanation of your legal adviser of the situations of which he is so well informed. Our bank, as you know, has a trust department. We are handling, and have been for a great many years, trust agreements which have to do with the administration of general property, such as real estate, stocks and bonds, and in many instances the administration of life insurance trusts. It has been my unhappy experience to see many of our successful business men pass on who left, as they supposed, very comfortable money-making enterprises and other general property of a satisfactory income return, which they believed sufficient to continue their families in the same comforts which they had provided when they were with them. My great regret is that I have seen the unhappy outcome of so many of these so-called 'perfect estates' resulting in tremendous loss to the surviving principals—in some instances even the loss of homes, and all the comforts that the family enjoyed.

Investments Should Be Carefully Protected

"In no uncertain terms, and without qualification, I recommend and endorse your legal adviser's recommendation that you insure not only your own investment in the business, but the investments for which you are responsible, so that should you not be permitted to carry on, every dollar of each investment is placed in an insurance trust bond, payable in cash or in monthly income return to your wife and children and to the other principals through their lives, and then in cash to their beneficiaries.

"I would say in conclusion that your legal adviser and I are thoroughly in accord with the precepts of this recommended plan, viewed from a legal and financial standpoint. We could continue to discuss this in detail for time to come, but we would not reach a more definite conclusion than what we have at the present moment. The plans of the insurance trust agreement are a matter of detail that can be arranged for in any manner you desire. The first and necessary thing is to obtain immediate and complete continued protection. The

"Twenty Grand's" Trainer Takes \$100,000 Policy

M. J. Donnelly of the Edward A. Woods agency of the Equitable Life of New York at Pittsburgh never fails to write at least two applications each week. One of his recent acquisitions was James Gordon Rowe, Jr., trainer of a famous race horse, "Twenty Grand." He wrote him for \$100,000. Mr. Donnelly first wrote \$20,000 on Mr. Rowe, but later raised it to \$100,000.

distribution plan of your investments and those for which you are responsible, when you are no longer here to administer them, can be arranged for very easily and to your entire satisfaction, after you have arranged for the necessary capital as provided for in the recommended trust bond."

Insurance Trust Bond Was Taken by Assured

Mr. A—"Gentlemen, I have listened to your advice with increasing interest. You have crystallized my own ideas of what I should do. If I knew I were to be permitted to live a stated length of time, it probably would not be necessary for me to make the recommended arrangements until a later date, but this is a matter over which I have no control. It would seem timely and provident, therefore, that I take the necessary steps immediately, as I cannot help but think in considering your recommendation, in which I have every confidence, that I will be more than negligent in my duty if I do not arrange for such a perfect business plan."

The insurance trust bond was arranged for by principal A, and the details of the trust agreement were worked out with the trust officer of the bank. The trust bond was placed in the lock box with principal A's other private papers for the administration of his executor.

Some time later Mr. B called Mr. A into his private office and referred to the conference, requesting Mr. A's permission to reduce the stenographic notes of the conference to manuscript, omitting names of the principals. He said that it was his wish to present this plan to other business clients of the bank for their earnest consideration and the perfecting of plans to suit their requirements, because, unfortunately, the estates of one or two recently deceased clients of the bank who had not made such financial arrangements, were then in process of liquidation, showing losses ranging from 10 percent to 25 percent, with no immediate possibility of necessary income or cash to the living principals of the estate and business investments.

Mr. A replied that he would be very glad if the results of his plan could be used for the benefit of others, with the understanding that names would be omitted from the transcript. With this understanding the plan was presented to other clients of the bank who, in conference with the banker and their legal advisers, arranged for the same kind of a cash trust bond.

JULY IS THE VERY MONTH—

To talk educational programs with parents.

To talk summer camp programs with parents.

To sell vacation policies to those already carrying a large line of other insurance.

To sell the man who cashed coupons on July 1.

To sell the man who received dividend checks July 1.

To sell the man who received interest on borrowed money July 1.

To sell the roadside stand operators and employees.

To sell professional baseball players.

To sell the electric refrigerator merchants.

To sell automobile dealers and salesmen.

To sell produce and greengoods merchants.

To sell the ice cream dealers.

And to steal a march on your competitors by working in July while he tapers off.—Reliance Life Bulletin.

Modern Business-Getting Methods

Prospecting and Proper Methods are Necessary for the Life Men in Their Field Work Today

Never before was prospecting and proper records for prospect files more necessary than today, M. A. Carroll of the Cameron & Carroll general agency at Oshkosh, Wis., told the agents convention of the Northwestern Mutual at Milwaukee this week. Prospecting has been one of the greatest factors in making production records, Mr. Carroll said. He urged the agents to make a first prospect list among people with whom they have the "inside track"; members of their family, friends, business acquaintances; old schoolmates, members of their church, and of the same lodge and fraternity affiliation. Friends, when asked, are often able to give many excellent prospects, Mr. Carroll pointed out. As names of prospects are secured they should be carefully noted down, and followed. Many cases are overlooked and lost because of lack of following, and this is usually due to a lack of a system for handling prospects' names.

Names of Sons Help

Getting the names of sons in the family, and noting these on the policyholder's card is another fruitful source for prospecting work, Mr. Carroll said. He told of his own experience in interesting fathers in securing life insurance coverage for their sons, on reaching the attainable age. Men are also prospects for more insurance at change of age; promotion to higher positions, when getting married; on the birth of a child in the family, and on getting a raise in salary. All these things can be noted and followed with the carefully kept prospect file which is systematized so that its handling becomes almost automatic in the agency, Mr. Carroll said. Life insurance agents, should give more important consideration to the question of prospecting and prospect files in times of economic stress since it is through proper prospecting that most of the insurance is sold during these periods.

Value for the life underwriter in keeping track of time was described by H. L. Cramer, general agent of South Bend, Ind. The time program not only gives a specific resolution for the underwriter to follow, but provides for greater ease in analyzing work at the end of various periods. Life agents frequently congratulate themselves that they have no taskmaster and no time clocks, Mr. Cramer said, but that is the dangerous part of the business. He advocated a simple system of time control, describing helps offered by the company in this regard.

Presentation Is Vital

Prospecting, prospect files, and time control are useless without effective presentation, H. M. Files of Cedar Rapids, Ia., said: "If production is to be maintained during periods of economic stress, life insurance agents have to do a thorough selling job," Mr. Files said. He devoted himself to a discussion of the proper structure of effectual presentations, taking a specific example of a young man's problems, and building up around them.

Effectual presentations might be compared to a triangle, the basis of which is the individual prospect's problem, Mr. Files pointed out. In talking to a prospect the agent must discuss the individual's financial problems, from the standpoint of the prospect, and then must present the solution to these financial problems which is contained in life in-

surance. The next layer of the triangle is creation of the desire for the product which the agent has to sell, by effective and graphic portrayal. The peak of the triangle is the close.

What the prospect may expect from the life underwriter was described by J. W. Heinekamp, of Atlantic City, N. J. He cited qualities of knowledge of the business, experience, and diplomacy in handling affairs among other qualifications, in his talk on the important and dramatic points of salesmanship.

"Life insurance as the financial plan" a contest winning presentation, graphically portrayed a successful sales presentation built around this plan. The introduction was made by A. L. Baldwin, general agent at Washington, D. C. F. G. Clendaniel of the Baldwin agency acted as the agent, and J. Hicks Baldwin as the prospect in this presentation.

"The Man Behind the Mechanics," a discussion of the life insurance agent himself behind the mechanics of prepared presentation, time control, and the technicalities of the business was given by K. W. Jacobs, Jr., of Milwaukee. "The man behind the mechanics sells life insurance, but that's not all," said Mr. Jacobs. "He should be a center of influence. If he wishes to be his clients' counsellor, he must have something in his head beside the sale."

Mr. Jacobs referred to the work of Dr. C. E. Albright which has become

so widely known that prospective clients seek him out. They realize that Dr. Albright has something interesting to tell them about their business, and they look forward with interest to his visits, he said. "While knowledge of business is essential," Mr. Jacobs said, "the agent must not try to tell every man he meets all about it." Although much life insurance has been sold during the past years, he expressed the belief that the surface has not yet been scratched.

"I hope I live 20 years," he said, "so I can prove there is really little life insurance in force in this country now. We have a great product. It showed itself during this depression, or 'repression' as Amos and Andy have so aptly termed it. We have a commodity today that is stronger than ever before."

Simple Conservation Device That Succeeds

A very simple conservation device is used by W. J. Olive, general agent for the Franklin Life of Springfield, Ill., in Holland, Mich. Whenever an assured negotiates a loan on his policy, Mr. Olive sends him a card: "I will appreciate it if you will call on me or write me in six months or one year regarding paying back part or all of this loan. Thank you for this service." The use of this card, according to Mr. Olive, has resulted in the repayment of several hundred dollars of loans, thus keeping many contracts out of jeopardy. The policyholder is asked to sign the card and Mr. Olive calls on him later regarding repayment.

Children's Insurance Paves Way for Splendid Contacts

Where a company writes juvenile insurance the agent is afforded an opportunity to approach the father and not only interest him in taking out a policy on a child but it opens the way for a survey of a man's entire insurance needs. The child forms an interesting contact. Much business has been written because the father has been talked to regarding insurance on a child. That often is the surest way to a man's heart. Some agents have approached a man regarding insurance for his younger child or children and this led up to his older ones, suggesting educational policies for them.

The Mutual Benefit Life recently lowered its age limit to 10 and makes the following suggestion in checking over list of prospects and the approach that may be made for insurance on a boy:

"At the present time the boy is insurable. He is of school age, happy, and pursuing the normal life of an American youngster. He has no physical impairments and is subject to no occupational hazard. No one can know that he will reach his majority in an insurable state or that he will not enter some occupation or profession that will bar him and his family from the benefit of life insurance."

Life Insurance Endorsed

"On the other hand, in buying life insurance for his son, your policyholder personally endorses the life insurance program. This fact, in his son's eyes, amounts to the most final type of sanction. He knows that life insurance has its place in his life. The father himself understands fully that life insurance occupies an important place in the financial program of every successful man. "The importance that this factor bears

in relation to the boy's own future can hardly be over-emphasized. The years between 10 and 14 are formative and those beyond 14 are generally accepted as 'habit-forming' years. Anything done now to instill the principle of economic soundness in the boy is eminently worth while."

Habit of Saving Is Developed

"Life insurance induces the habit of saving as nothing else can. It might be well to impress upon the policyholder that anything else he might give his son induces spending. Even the savings account, as admirable as its possession is, often is built with a definite future purpose in view. It serves a good purpose in promoting wise spending, but life insurance, more often than savings accounts, leads to a condition of financial independence."

"Finally, there are definite advantages in the early ownership of life insurance. Your policyholder can be made to realize that in buying life insurance for his son, he is giving him a distinct advantage not always available for every boy. The saving in rates, while not most important, is worth consideration. More important is the fact that in starting his son's insurance program he is helping to establish certain goals for his son. It is a matter of common knowledge that people with definite objectives always accomplish more than people without them. As the son grows older, he will discover that it is necessary to earn all the desirable things of life, and to fight to keep them. He will also discover that his early-formed habit of 'economic soundness' has given him an edge over his competitors."

Securing Names Important Angle to Agent's Work

Agent Dawson of the Mutual Benefit Life in New York City, familiarly known as "Pep," tells about securing prospects, how to go about it and what course to pursue. He feels that when a friend is approached for a suggestion as to a prospect there should be some definite picture presented as to the kind of prospect that the agent desires. For instance, he may be seeking a man who has been recently promoted, one who has been recently married or who has become a father. He may strike out on new lines and draw a picture of a supposed prospect that he especially desires to see.

Familiar Approach Decried

Mr. Dawson decries the familiar approach where a friend has made the suggestion, "Mr. Brown sent me to see you. He was quite sure you would be interested in some insurance and might apply the plan that he follows." Mr. Dawson says that there should be some other manner of making the approach. He tells a man, for example, that Mr. Brown made it possible for the agent to meet the prospect, that he is delighted to make the contact and that he wants this introduction entirely forgotten so that he can present a subject on its own merits.

Secure Only One Name

Mr. Dawson also declares that it is important in seeking suggestions from a friend not to ask for more than one name. He can go back later and get another but there should be never more than one name asked during a conversation. He says regarding prospecting:

"Any working plan for prospecting has a definite time set aside and devoted exclusively to the securing of new names. Plan to set aside one day a week for prospecting only, or one contact a day for prospects only, or a definite time each day such as from 4 to 5 o'clock. Now is the time of all times to organize yourself on a definite, sound business basis. Care in selecting the right kind of prospects, and equal care in eliminating the wrong kind, means greater possibilities for profits and fewer discouraging interviews. Prospecting deserves more time and attention. If you can not formulate a plan of action that brings results, ask your general agent's help."

Prospects for Annuities Listed by State Agency

The Connecticut state agency of the Equitable Life of New York suggests the following as annuity prospects:

All professional men and women.
Old couples with no dependents.
Those desiring to provide for parents.
Those desiring to provide for friends, servants or employees.
Those facing old age with small reserves.

Single men and women who desire a systematic thrift plan for maintenance in old age.

Those whose incomes are large but of uncertain duration.

Those who have disposed of property.

Those who have inherited money.

Those whose needs for protection have been met and who need additional old age provision.

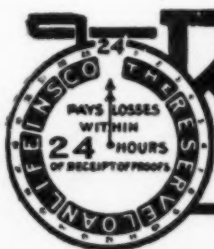
Those who need substantial income but are too cautious to speculate.



IN LIFE'S BIG HOP-OFF, PLAY SAFE!

WRITE FOR GENERAL AGENCY PROPOSITION
AND TERRITORY

RESERVE LOAN LIFE
INSURANCE COMPANY
INDIANAPOLIS, INDIANA.



PUTTING INCOME INSURANCE WITHIN THE REACH OF THE AVERAGE SALARIED AND PROFES- SIONAL MAN » » »

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An income for retirement

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of dependency and at the same time providing for retirement. Cost
guaranteed: Something really new— Something you'll like to sell.

★ ||| Ask the Life Manager for full details ||| ★
at the nearest Travelers Office » »

THE TRAVELERS

Life Accident

Liability Automobile

Health Steam Boiler Compensation

The Travelers Insurance Company

The Travelers Indemnity Company

The Travelers Fire Insurance Company

Hartford, Connecticut

Windstorm Fire

Plate Glass Aircraft Group

Burglary Machinery Inland Marine